



# Annual Financial Report

in accordance  
with § 82 (4) of the  
Austrian Stock  
Exchange Act

## 2012

### Flughafen Wien AG

[www.viennaairport.com](http://www.viennaairport.com)

## Key Data on the Flughafen Wien Group

### › Financial Indicators

in € million (excluding employees)	2012	Change in %	2011	2010	2009
Total revenue	607.4	4.4	582.0	533.8	501.7
Thereof Airport	317.8	7.8	294.6	260.0	226.5
Thereof Handling	153.8	-4.2	160.5	165.2	169.8
Thereof Retail & Properties	119.5	8.0	110.6	93.6	88.8
Thereof Other Segments	16.1	0.2	16.1	14.5	16.2
EBITDA	221.4	17.1	189.0	168.1	166.5
EBITDA margin (in %) <sup>1</sup>	36.5	-	32.5	31.5	33.2
EBIT	108.0	60.8	67.2	102.3	99.6
EBIT margin (in %) <sup>2</sup>	17.8	-	11.5	19.2	19.9
ROCE (in %) <sup>3</sup>	4.9	-	3.2	5.1	5.4
Net profit after non-controlling interests	71.9	127.5	31.6	75.7	73.4
Cash flow from operating activities	179.7	0.4	178.9	169.7	155.5
Equity	851.6	4.9	811.4	823.0	794.8
Equity ratio (in %)	41.3	-	37.7	41.2	42.7
Net debt	719.6	-4.3	751.7	666.3	613.9
Balance sheet total	2,061.8	-4.1	2,150.2	1,998.5	1,860.9
Gearing (in %)	84.5	-	92.6	81.0	77.2
Capital expenditure <sup>4</sup>	101.2	-61.1	260.2	145.5	223.6
Income taxes	21.4	59.2	13.5	23.0	22.7
Average number of employees for the year <sup>5</sup>	4,475	-1.1	4,525	4,266	4,148
Number of employees on 31.12.	4,306	-4.3	4,500	4,336	3,925

**Definitions:** 1) EBITDA margin (Earnings Before Interest, Taxes, Depreciation and Amortisation) = EBIT + depreciation and amortisation / Operating income; 2) EBIT margin (Earnings before Interest and Taxes) = EBIT / Operating income; 3) ROCE (Return on Capital Employed after Tax) = (EBIT less allocated taxes) / Average capital employed; 4) Capital expenditure: Intangible assets, property, plant and equipment and prepayments, including corrections to invoices from previous years; 5) Average number of employees for the year: Weighted average number of employees including apprentices and employees on official non-paying leave (maternity, military, etc.) and excluding the Management Board and managing directors;

### › Industry Indicators

	2012	Change in %	2011	2010	2009
Passengers (in mill.)	22.2	5.0	21.1	19.7	18.1
Thereof transfer passengers (in mill.)	7.1	8.1	6.5	5.9	5.5
Flight movements	244,650	-0.6	246,157	246,146	243,430
MTOW (in mill. tonnes) <sup>6</sup>	8.1	-1.7	8.3	8.0	7.3
Cargo (air cargo and trucking; in tonnes)	252,276	-9.2	277,784	295,989	254,006
Seat occupancy (in %) <sup>7</sup>	73.0	-	69.6	68.9	68.7

### › Stock Market Indicators

	2012	Change in %	2011	2010	2009
Shares outstanding (in mill.)	21	0.0	21	21	21
P/E ratio (per 31.12.)	12.6	-35.4	19.4	14.2	10.0
Earnings per share (in €)	3.42	128.0	1.50	3.61	3.49
Dividend per share (in €) <sup>8</sup>	1.05	5.0	1.00	2.00	2.10
Dividend yield (as of 31.12.; in %)	2.4	-	3.4	3.9	6.0
Pay-out ratio (as a % of net profit)	30.5	-	66.5	55.5	60.1
Market capitalisation (as of 31.12.; in € mill.)	902.8	47.0	614.3	1,075.8	730.8
Stock price: high (in €)	42.99	-17.3	51.98	51.23	38.84
Stock price: low (in €)	26.04	1.3	25.70	33.11	19.06
Stock price: as of 31.12. (in €)	42.99	47.0	29.25	51.23	34.80
Market weighting ATX Prime (as of 31.12.; in %) <sup>9</sup>	1.1	-	1.0	-	-

6) MTOW: Maximum take-off weight for aircraft; 7) Seat occupancy: Number of passengers/Available number of seats;

8) Dividend 2012: Recommendation to the Annual General Meeting; 9) ATX Prime: The VIE share was reclassified from the ATX to the ATX Prime in March 2011

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**Group Management  
Report for the  
2012 Financial Year**

## The Business Environment

The commercial development of air travel is influenced to a significant degree by fluctuations in the economy as well as crises and events that can lead to the cancellation of flights and/or routes.

As an international hub in Central Europe, Vienna Airport is heavily dependent on economic developments in the Euro zone and because of its geographical location also affected by economic trends in the CEE region. The Czech Republic, Slovakia, Hungary, Slovenia and Croatia play a special role because the residents in the adjoining areas of these neighbouring countries form part of Vienna Airport's catchment area.

Whereas the global economy was characterised by slight weakness in 2012, the Euro zone recorded a decline beginning in the second quarter of the year. The result was a 0.6% year-on-year contraction, with substantial differences on a regional basis. In contrast, the CEE region reported moderate growth for 2012 (Source: EUROSTAT).

One example of sound development in the CEE region is Slovakia, which generated GDP growth in 2012 due to higher production volumes in the automobile industry. The Czech economy slipped into a slight recession during 2012 because export surpluses were unable to counter the decline in private consumption. Hungary reported a GDP decline of roughly 1.7% for 2012, whereby growth was supported by higher net exports but limited by a more substantial drop in domestic demand as a result of the fiscal austerity programme (Source: EUROSTAT).

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Within the context of this international environment, the export-oriented Austrian economy produced GDP growth of 0.4% in 2012 (Source: Austrian National Bank). A lack of export momentum and weak domestic consumption slowed the investment climate, in spite of continuing low interest rates. The Austrian labour market developed better in international comparison with an increase in employment, but near stagnation in real wages and generally low consumer confidence had a negative effect on private consumption. The CPI-linked inflation rate rose by an annual average of 2.4% in 2012 due to rising prices for energy and food and higher unit labour costs (Source: Statistik Austria).

Both the European Central Bank (ECB) and the US Federal Reserve reacted to these global economic developments by extending their low interest rate policies. The financial markets were stabilised by measures connected with the ESM programme and the announced ECB intervention in the federal bond sector.

### › **Tourism in Austria**

The Austrian tourism industry, a key driver for business development at Vienna Airport, set a new record in 2012. According to Statistik Austria, the number of overnight stays rose by about 4.0% year-on-year to 131.0 million. An above-average increase of 4.8% to 95.1 million was recorded in the number of overnight stays by foreign tourists. The strongest growth by region was registered in visitors from Central and Eastern Europe with a plus of 7.8%. Of special note is the increase in overnight stays by travellers from Russia at 18.9%. The number of overnight stays by German visitors, who represent the largest group, rose by 4.6% to 50 million in 2012 (Source: Statistik Austria).

### › **Travel in Austria**

Travel by the Austrian public rose slightly in 2012. Statistik Austria reported nearly 6.6 million holiday trips during the summer season (July - September), the most important period for such activities. This represents an increase of 1.0% over the previous summer. Of the total vacations, 56.2% were taken in foreign countries whereby the most popular destinations were Italy (24.7%), Croatia (16.8%), Germany (12.4%), Spain (6.1%), and Greece (4.5%). The airplane was the preferred mode of transport for 17.2% of these travellers to reach their vacation destination.



## Traffic at Vienna Airport

The increase in passenger traffic at the European airports averaged a moderate 1.8%<sup>1</sup> year-on-year in 2012. With growth of 5.0%, Vienna Airport exceeded this level by a substantial margin. A total of 22,165,794 passengers were handled at Vienna during the reporting year, with transfers comprising a share of 31.8%. Above-average growth 8.1% was recorded in the number of transfer passengers, which is a strategically important customer group for Vienna.

Flight movements fell by 2.1%<sup>2</sup> in European comparison. This trend was also felt in Vienna, but to a slightly lesser extent: the number of flight movements at Vienna Airport declined 0.6% in 2012.

The consequences of the sovereign debt crisis and global economic weakness led to a 2.8% drop in cargo turnover at the European airports. In Vienna, cargo volumes (air cargo and trucking) were 9.2% lower than the previous year.

Vienna remained one of the top four airports in Europe for punctuality in 2012 and also maintained its high-quality service levels.

### › Traffic at European airports in 2012 – Vienna with the strongest passenger growth

	Passengers in thousand	Change vs. 2011 in %	Flight movements <sup>3</sup>	Change vs. 2011 in %
London <sup>3</sup>	121,725.0	0.5	843,052	-1.8
Frankfurt	57,520.0	1.9	471,454	-1.2
Paris <sup>3</sup>	88,844.2	0.8	721,903	-1.8
Amsterdam	51,035.6	2.6	423,407	0.8
Madrid	45,175.5	-9.0	372,359	-13.1
Rome	36,980.2	-1.8	309,302	-4.6
Munich	38,360.6	1.6	376,889	-2.9
Milan <sup>3</sup>	36,587.8	-0.5	338,001	-3.3
Zurich	24,751.6	1.7	250,311	4.9
<b>Vienna</b>	<b>22,165.8</b>	<b>5.0</b>	<b>243,072</b>	<b>-0.6</b>
Prague	10,807.9	-8.3	128,624	-12.9
Budapest	8,493.6	-4.7	81,921	-21.8

1) ACI Airport Council International – Europe. Inhouse; January-December 2012

2) ACI Airport Council International – Europe. Inhouse; January-December 2012

3) Source: ACI Europe Traffic Report December 2012

London: Heathrow, Gatwick and Stansted

Paris: Charles de Gaulle and Paris Orly

Milan: Malpensa, Linate and Bergamo

Flight movements acc. ACI: Movements exclusive General Aviation and Other Aircraft Movements

### › Passenger growth of 5.0%

Traffic indicators	2012	Change in %	2011	2010
MTOW (in million tonnes)	8.1	-1.7	8.3	8.0
Total passengers (in million)	22.2	5.0	21.1	19.7
Thereof transfers (in million)	7.1	8.1	6.5	5.9
Flight movements	244,650	-0.6	246,157	246,146
Cargo (air cargo and trucking; in tonnes)	252,276	-9.2	277,784	295,989
Seat occupancy (in %)	73.0	n.a.	69.6	68.9
Number of destinations	179	2.9	174	177
Number of airlines	71	-2.7	73	70

The number of passengers handled at Vienna Airport rose by 5.0% to 22,165,794 in 2012, which reflects the forecasted range of 4 to 5%. A quarterly comparison shows slower growth in passenger traffic during the third and fourth quarters than in the first (+9.2%) and second quarters (+6.8%). This development reflects the basis effects from the events in Japan (Fukushima) and North Africa (revolutions in Libya and Egypt) during the first half of 2011 as well as the termination of flights to Mumbai from April and to Damascus from August 2012 onwards. The number of flight movements declined 0.6% year-on-year to 244,650. Maximum take-off weight (MTOW) was 1.7% lower, chiefly because of the general decline in air cargo. Seat occupancy equalled 73.0%, compared with 69.6% in the previous year.

Cargo turnover fell by 9.2% year-on-year to 252,276 tonnes in 2012. Air cargo declined 10.9% to 178,054 tonnes and trucking 4.8% to 74,222 tonnes. The economic weakness in the Asian region had a negative effect on the development of cargo traffic in Vienna during 2012. Furthermore, the reduction in freight charges for maritime cargo transport (based on price developments as reported in the Baltic Dry Index) led to an increase in the volume of high-value goods shipped from Asia to Europe via ocean carriers. That, in turn, triggered a sharp drop in air cargo from the Asian region. In the air cargo segment, Lufthansa followed the takeover of Austrian Airlines with the transfer of the related cargo business to its subsidiary Lufthansa Cargo AG (LCAG). LCAG now manages all cargo flows into and out of Vienna. Consolidation measures in the Lufthansa transport network included the transfer of large cargo volumes by LCAG to the hubs in Frankfurt and Munich, which led to a double-digit drop in cargo volume for the hub carrier AUA/Lufthansa in 2012. The development of business with other customers leads to expectations that this business will bottom out in mid-2013 and possibly produce slight volume growth during the second half of the year.

Vienna Airport offered scheduled flights to 179 destinations in 2012 (2011: 174), with 45 (2011: 44) of these destinations located in Eastern Europe. That confirms Vienna's position as the leading east-west hub in Europe for 2012. The number of passengers departing to Eastern Europe rose by an above-average 12.1% year-on-year, which increased this share of total passenger traffic 1.2 percentage points to 20.1%. Departures to destinations in the Middle East grew by a sound 8.3%. In contrast, traffic to the Far East declined 5.9% following the termination of flights to Mumbai.

### › Departing passengers in 2012 (scheduled and charter) by region

Region	2012	2011	Change absolute	Share 2012 in %	Share 2011 in %	Change in % points
Eastern Europe	2,226,488	1,986,681	239,807	20.1	18.9	1.2
Western Europe	7,495,253	7,241,165	254,088	67.8	68.8	-1.0
Far East	384,524	408,677	-24,153	3.5	3.9	-0.4
Middle East	541,667	500,139	41,528	4.9	4.8	0.1
North America	212,488	207,473	5,015	1.9	2.0	-0.1
Africa	189,733	174,577	15,156	1.7	1.7	-
South America	8,028	2,225	5,803	0.1	-	0.1
<b>Total</b>	<b>11,058,181</b>	<b>10,520,937</b>	<b>537,244</b>	<b>100.0</b>	<b>100.0</b>	

The share of passengers departing to Eastern Europe rose to 20.1% in 2012 (2011: 18.9%) based on above-average traffic growth of 12.1%. Western Europe remained the most popular destination with 67.8% (2011: 68.8%) of the total passengers. Frankfurt led the list of West European destinations with 593,565 passengers, followed by London with 468,874 and Zurich with 453,461. The East European ranking was headed by Moscow, Bucharest and Sofia. The most passengers on long-haul flights were recorded by Bangkok with 111,265 passengers, followed by New York and Tokyo.

### › The major airlines at Vienna Airport

The Austrian Airlines Group, the largest and most important customer of the Flughafen Wien Group, recorded a 4.0% increase in passenger traffic during 2012 but a decline in the share of the total passenger volume to 49.5% (2011: 50.0%). In spite of this development, the Austrian Airlines Group remains the dominant home carrier at Vienna Airport. NIKI maintained its position as the second largest carrier in Vienna during 2012. An increase of 9.2% in the number of passengers raised its share of the total passenger volume to 12.0% (2011: 11.6%). Eight low-cost carriers served Vienna on a regular basis during the reporting year (2011: eight). The number of passengers handled by the low-cost carriers rose by 5.4% year-on-year in 2012, whereby the decline in passenger traffic during the first quarter (-3.2%) was more than offset during the remainder of the year. The market share held by these airlines equalled 21.8% (2011: 21.7%). A ranking of the airlines by the share of passengers carried is led by the Austrian Airlines Group and NIKI, followed by airberlin with 6.3% and Lufthansa with 5.5%. The top ten airlines at Vienna Airport also include Germanwings with a share of 2.2%, British Airways and Turkish Airlines with 1.7% each and Swiss Intl., Air France and Emirates with 1.5% each. In this ranking, Turkish Airlines, Emirates and Lufthansa reported the strongest growth over 2011.

The average seat occupancy on flights from and to Vienna (scheduled and charter) rose from 69.6% in 2011 to 73.0% for the reporting year. This reflects the airlines' efforts to improve capacity utilisation. Despite a fleet reduction of four aircraft, the Austrian Airlines Group carried more passengers during the reporting year and also contributed to the improvement in seat occupancy.

Seventy-one airlines carried out scheduled flights to Vienna in 2012 (2011: 73), which served 179 destinations in 67 countries. New airline customers included, among others, Estonia Air, Saudi Arabian Air, Belle Air, OLT Express and Danube Wings. In contrast, six airlines terminated services to and from Vienna.

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## Fee and Incentive Policy

Vienna International Airport has a fee system that is very attractive in international comparison. The fee adjustments were based on a formula (price-cap formula) that was accepted by FWAG, the airlines and the Austrian civil aviation authority (Austrian Ministry for Transport, Innovation and Technology (BMVIT)). The formula equals the inflation rate minus 0.35-times the average growth in traffic over the past three years.

The fee structure was adjusted as follows as of 1 January 2012:

Landing fee, airside infrastructure fee, parking fee:	+ 0.81%
Passenger fee, landside infrastructure fee:	+ 0.39%
Infrastructure fee for fuelling:	+ 0.68%

The fee adjustments implemented on 1 January 2012 and the related sharing of occupancy risk with the airlines as well as the continuation and/or expansion of the successful incentive programme are designed to strengthen the competitive position of Vienna Airport and to promote strategically important intercontinental routes and traffic to destinations in Eastern and Central Europe.

The Austrian Airport Tariff Act took effect on 1 July 2012. It defines the procedure for fee adjustments and provides additional stability because the price-cap formula is now anchored in law.

The airlines request to share a higher share of the occupancy risk was met with a reduction of approx. 11% in the landing fee and a corresponding increase of approx. 4.6% (€ 0.74/per dep. passenger) in the passenger fee. The airside infrastructure fee was reduced by 10%, while the landside infrastructure fee was raised by 20% (€ 0.20). The PRM (People with Reduced Mobility) fee remained unchanged at € 0.34 per departing passenger.

The Austrian Aviation Act of 2011 requires Flughafen Wien AG to collect a security fee from each departing passenger (local and transfer). This fee was set at € 7.70 as of 16 April 2012.

In order to further strengthen Vienna's position as a transfer airport, Flughafen Wien AG raised the long-standing transfer incentive by € 2.50 as of 5 June 2012. This refund to airlines that support the development of Vienna Airport's hub function equalled € 11.71 per departing transfer passenger from 5 June 2012 to 31 December 2012. The growth incentive programme was also continued in 2012. These measures provide sustainable protection for the role of Vienna Airport as a bridgehead between west and east.

## Revenue in 2012

Revenue recorded by the Flughafen Wien Group rose by 4.4% year-on-year to € 607.4 million in 2012. This increase was supported by the positive development of traffic as well as higher revenue in the Retail & Properties Segment.

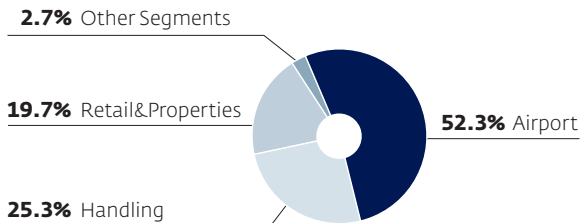
Due to the seasonality of the airport business, FWAG normally generates its highest revenue during the holiday periods in the second and third quarter. Accordingly, the third quarter was also the strongest in 2012 with 27.0% of annual revenue, followed by the second quarter with a share of 25.4%, the fourth quarter with 24.7% and the first quarter with 22.9%.

## › Revenue by segment

in € million	2012	Change in %	2011	2010
Airport	317.8	7.8	294.6	260.0
Handling	153.8	-4.2	160.5	165.2
Retail & Properties	119.5	8.0	110.6	93.6
Other Segments	16.1	0.2	16.1	14.5
<b>Group revenue<sup>1</sup></b>	<b>607.4</b>	<b>4.4</b>	<b>582.0</b>	<b>533.8</b>

1) For reconciliation of segments results see notes (1), page 136

### 2012 Revenue By Segment



### › Airport Segment

Revenue: Airport Segment in € million	2012	2011	2010
Landing fee	58.8	65.3	61.6
Passenger fee incl. PRM	134.6	118.5	112.3
Infrastructure fee	29.1	27.5	25.6
Security controls	0.0	0.0	12.7
Security fee	79.0	68.1	0.0
Fuelling	2.4	2.9	2.0
Special guest services	7.0	6.5	6.0
Rentals	4.7	4.2	4.3
Passenger and baggage controls	0.0	0.3	29.6
Other	2.1	1.4	5.8
<b>Total segment revenue</b>	<b>317.8</b>	<b>294.6</b>	<b>260.0</b>

Revenue generated by the Airport Segment rose by 7.8% to € 317.8 million for the reporting year. This increase was supported primarily by the growth in passenger traffic (+5.0%). Revenue from the passenger fee (incl. PRM – Passengers with Reduced Mobility), which correlates with the growth in traffic, was € 16.1 million or 13.6% higher at € 134.6 million. The security fee, which is also linked to the number of passengers, generated revenue of € 79.0 million (2011: € 68.1 million) or 24.9% (2011: 23.1%) of segment revenue. As a result of the changes in the fee structure (see the section “Fee and Incentive Policy”) and the 1.7% decline in maximum take-off weight (MTOW), revenue from the landing fee fell by 9.9% to € 58.8 million (2011: € 65.3 million). Revenue from the infrastructure fee was slightly higher in 2012: revenue from the use of infrastructure equipment and facilities for >

passengers and aircraft rose by 5.8% to € 29.1 million (2011: € 27.5 million). With a share of 52.3% (2011: 50.6%), the Airport Segment again made the largest contribution to Group revenue in 2012.

### › Handling Segment

Revenue: Handling Segment in € million	2012	2011	2010
Apron handling	103.8	106.8	109.2
Cargo handling	30.6	31.6	34.7
Security services	3.7	4.2	3.4
Traffic handling	9.3	10.6	10.7
General aviation	6.5	7.2	7.2
<b>Total segment revenue</b>	<b>153.8</b>	<b>160.5</b>	<b>165.2</b>

The Handling Segment recorded external revenue of € 153.8 million in 2012, which represents a year-on-year decline of 4.2%. This development resulted, above all, from lower apron handling revenue following the renegotiation of several handling contracts. However, the market share increased slightly to 89.3% for the reporting year (2011: 89.2%). Celebi Ground Handling Austria GmbH is the second provider of ground handling services on the apron at Vienna Airport. Revenue from cargo handling fell by € 1.1 million, or 3.4%, to € 30.6 million due to the drop in cargo turnover. In spite of this shift, the market share of VIE-Handling in the cargo segment remained at a very high 94.0% (2011: 94.8%). The subsidiary Vienna Airport Security Ges.m.b.H. reported a year-on-year decline of € 0.6 million in revenue from security services. Revenue from general aviation services fell to € 6.5 million in 2012 because of a decline in handling movements and lower revenue from aircraft parking. The Handling Segment generated 25.3% of Group revenue for the reporting year (2011: 27.6%).

### › Retail & Properties Segment

Revenue: Retail & Properties Segment in € million	2012	2011	2010
Parking	41.8	37.7	34.8
Rentals	37.2	36.9	31.8
Shopping/gastronomy	40.5	36.1	26.9
<b>Total segment revenue</b>	<b>119.5</b>	<b>110.6</b>	<b>93.6</b>

The Retail & Properties Segment reported further revenue growth in 2012 with an increase to € 119.5 million (2011: € 110.6 million). The adjustment of charges for the parking areas and car parks led to an increase of 11.1% in revenue to € 41.8 million (2011: € 37.7 million). Revenue from rentals rose by € 0.3 million following the implementation of inflation-based adjustments to rental agreements. Sound business development in the retail and gastronomy area resulted in an increase of € 4.4 million (+12.1%) in revenue, among others from the opening of the new space in Check-in 3. The growing importance of the Retail & Properties Segment was also reflected in an increase in the share of Group revenue to 19.7% (2011: 19.0%).

## › Other Segments

Revenue: Other Segments in € million	2012	2011	2010
Energy supply and waste disposal	6.7	6.4	6.1
Telecommunications and IT	3.2	3.2	3.3
Materials management	2.2	2.2	1.7
Electrical engineering	1.4	1.4	0.3
Facility management	1.0	1.1	1.2
Workshops	0.5	0.3	0.3
Other	1.2	1.6	1.5
<b>Total segment revenue</b>	<b>16.1</b>	<b>16.1</b>	<b>14.5</b>

External revenue in the reporting segment "Other Segments" remained stable at the prior year level of € 16.1 million in 2012. Revenue from energy supply and waste disposal services increased slightly to € 6.7 million, primarily due to higher volumes, while telecommunications and IT services reflected the 2011 level at € 3.2 million. Revenue from facility management declined € 0.1 million. Other revenue totalled € 1.2 million and resulted, among others, from cleaning and consulting services. The Other Segments recorded 2.7% of Group revenue in 2012 (2011: 2.8%).

## Earnings

The development of earnings in the Flughafen Wien Group in 2012 can be summarised as follows:

- › Revenue: plus 4.4% to € 607.4 million
- › Operating income: plus 4.8% to € 631.5 million
- › Operating expenses, excl. depreciation and amortisation: minus 0.8% to € 410.1 million
- › Earnings before interest, taxes, depreciation and amortisation (EBITDA): plus 17.1% to € 221.4 million
- › Scheduled depreciation and amortisation: plus € 31.8 million to € 98.1 million due to the start of operations in the new terminal Check-in 3
- › Impairment charges: minus € 55.5 million to € 15.3 million
- › Earnings before interest and taxes (EBIT): plus 60.8% to € 108.0 million
- › Financial results: improvement of € 7.9 million to minus € 14.3 million
- › Earnings before taxes (EBT): plus 108.2% to € 93.7 million
- › Net profit before non-controlling interests: plus 129.0% to € 72.3 million
- › Share of Flughafen Wien AG in annual profit: plus € 40.3 million to € 71.9 million

### › Income statement, summary

Consolidated income statement in € million	2012	Change in %	2011	2010
Revenue	607.4	4.4	582.0	533.8
Other operating income	24.1	17.9	20.4	16.4
<b>Operating income</b>	<b>631.5</b>	<b>4.8</b>	<b>602.4</b>	<b>550.2</b>
Operating expenses, excl. depreciation, amortisation and impairment	410.1	-0.8	413.4	382.1
<b>EBITDA</b>	<b>221.4</b>	<b>17.1</b>	<b>189.0</b>	<b>168.1</b>
Depreciation, amortisation and impairment	113.4	-6.9	121.8	65.8
<b>EBIT</b>	<b>108.0</b>	<b>60.8</b>	<b>67.2</b>	<b>102.3</b>
Financial results	-14.3	-35.5	-22.2	-3.6
<b>EBT</b>	<b>93.7</b>	<b>108.2</b>	<b>45.0</b>	<b>98.7</b>
Income taxes	-21.4	59.2	13.5	23.0
<b>Net profit for the period</b>	<b>72.3</b>	<b>129.0</b>	<b>31.6</b>	<b>75.7</b>
Thereof attributable to non-controlling interests	0.4	n.a.	0.0	0.0
Thereof attributable to equity holders of the parent	71.9	127.5	31.6	75.7
Earnings per share in EUR	3.42	128.0	1.50	3.61

Group revenue rose by 4.4% in 2012, above all due to the positive development of the Airport and Retail & Properties Segments. Detailed information is provided in the section on segment revenue (chapter "Revenue in 2012"). Other operating income rose by € 3.7 million to € 24.1 million, primarily due to an increase in insurance compensation ("Uniqta settlement") and invoiced penalties related to the delayed completion of retail space by a lessee. In addition, the wide-ranging investment activity at the airport was connected with the capitalisation of € 11.1 million in services provided by Flughafen Wien AG and its subsidiaries VIE-ÖBA GmbH and Vienna Airport Infrastruktur Maintenance GmbH. Operating income totalled € 631.5 million in 2012 (2011: € 602.4 million).

### › Operating expenses of € 523.4 million

Operating expenses in € million	2012	Change in %	2011	2010
Consumables and services used	43.2	2.7	42.1	42.3
Personnel	249.7	-3.4	258.5	238.1
Other operating expenses	117.2	3.8	112.9	101.6
Depreciation, amortisation and impairment	113.4	-6.9	121.8	65.8
<b>Total</b>	<b>523.4</b>	<b>-2.2</b>	<b>535.2</b>	<b>447.9</b>

The cost of consumables and services rose 2.7% year-on-year to € 43.2 million. Expenditures for consumables were higher in 2012, above all due to an increase of € 3.2 million in energy costs (electricity, district heating) to € 20.6 million. The rise in energy costs was



also related to the start of operations in the new terminal Check-in 3. Expenses for other consumables and fuel rose slightly by € 1.4 million to € 19.7 million, primarily due to price increases.

Personnel expenses declined 3.4% year-on-year to € 249.7 million, in spite of wage and salary increases mandated by collective bargaining agreements. In the Airport Segment, personnel expenses rose by 7.9% with the start of operations in the new terminal Check-in 3. Personnel expenses were 5.3% lower in the Handling Segment and 8.8% lower in the Retail & Properties Segment during the reporting year. In the Other Segments, personnel expenses fell by 6.0%.

The average number of employees in the Flughafen Wien Group fell by 1.1% to 4,475 in 2012, despite the growth in traffic and the opening of 150,000 m<sup>2</sup> of new terminal space. This development was supported, in particular, by process optimisation. The Flughafen Wien Group had 4,306 employees as of 31 December, or 194 less than at the beginning of the year. The average workforce rose by 4.1% in the Airport Segment, but declined by 1.6% in the Handling Segment. The average number of employees in the Retail & Properties Segment and Other Segments fell by 15.7% and 5.2%, respectively, in 2012.

The workforce reduction was also reflected in a year-on-year decrease of 1.5% and 2.5%, respectively, in gross wages and gross salaries to € 109.8 million and € 66.2 million. The contributions to the provisions for outstanding holidays and for service anniversary bonuses rose by € 0.6 million and € 2.5 million, respectively. The € 7.0 million reduction in expenses for semiretirement programmes was related chiefly to a basis effect, i.e. the conclusion of a higher number of these agreements in the previous year. Expenses for severance compensation and pensions fell by € 1.8 million and € 1.4 million, respectively.

Other operating expenses rose by € 4.3 million, or 3.8%, year-on-year. The main reasons for this increase were higher expenditures for maintenance (+ € 2.1 million), third party services including services of non-consolidated subsidiaries (+ € 6.1 million) and damages (+ € 4.0 million). The valuation allowances for doubtful receivables were increased in 2012 following the bankruptcy of companies in the Sardana Group (€ 3.5 million). In 2012 € 3.2 million of these allowances were reversed mainly because of a positive arbitration decision. Positive effects included the declines in legal, auditing and consulting fees (€ -2.5 million) and expenses for marketing and market communication (€ -6.0 million).

### › Group EBITDA plus 17.1%

EBITDA in € million	2012	Change in %	2011	2010
Airport	136.7	5.9	129.2	112.4
Handling	23.4	269.1	6.3	22.0
Retail & Properties	67.7	7.3	63.1	52.6
Other Segments	17.4	14.4	15.2	7.1
<b>Group EBITDA<sup>1</sup></b>	<b>221.4</b>	<b>17.1</b>	<b>189.0</b>	<b>168.1</b>

1) For reconciliation of segments results see notes (1), page 136

EBITDA by segment	2012	2011	2010
Airport	61.8 %	68.3 %	66.9 %
Handling	10.6 %	3.4 %	13.1 %
Retail & Properties	30.6 %	33.4 %	31.3 %
Other Segments	7.9 %	8.1 %	4.2 %
<b>Group EBITDA<sup>1</sup></b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

1) For reconciliation of segments results see notes (1), page 136

Earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 17.1% to € 221.4 million (2011: € 189.0 million). The Airport Segment again generated the largest share of Group EBITDA with € 136.7 million (2011: € 129.2 million) or 61.8% in 2012. The Handling Segment recorded an increase of € 17.1 million in EBITDA to € 23.4 million (2011: € 6.3 million), which represents a share of 10.6%. This improvement reflected the decline in operating costs, which were negatively affected by non-recurring effects and additions to provisions in the prior year. Lower operating costs and higher revenues also supported an improvement in EBITDA for the Retail & Properties Segment, with a plus of € 4.6 million to € 67.7 million (2011: € 63.1 million) or 30.6% of Group EBITDA. The Other Segments generated EBITDA of € 17.4 million (2011: € 15.2 million), for a share of 7.9%. The non-allocated, negative EBITDA of € 23.9 million (2011: € 24.8 million) is primarily related to personnel expenses and other operating expenses in the administrative area.

### › Depreciation, amortisation and impairment of € 113.4 million

in € million	2012	2011	2010
Capital expenditure	101.8	262.8	146.9
Scheduled depreciation and amortisation	98.1	66.3	65.8
Impairment	15.3	55.5	0.0

Investments in intangible assets and property, plant and equipment totalled € 3.3 million and € 97.9 million, respectively, in 2012. A total of € 0.5 million was also invested in financial assets (originated loans). Scheduled depreciation and amortisation rose by € 31.8 million year-on-year, above all due to the start of operations in Check-in 3 in June 2012.

The definition of the CGUs Real Estate Cargo, Real Estate Office and Real Estate Parking was changed in 2012 to better reflect the mutual dependence of the cash flows from the involved assets. This led to the aggregation of several assets (objects) in a single CGU.

The impairment testing of these cash-generating units led to the following results: impairment charges totalling € 5.1 million were recognised to three cargo properties in the CGU Real Estate Cargo to reflect revised estimates for the medium-term development of the market and demand. These impairment charges were recognised in the Retail & Properties Segment.

Impairment testing in the CGU Real Estate Office included the reassessment of occupancy rates and the related updating of detailed forecasts. The results of the tests indicated a need for an impairment charge of € 4.3 million to the carrying amount of the allocated goodwill and € 2.4 million to the carrying amount of an office building. These impairment charges were recognised in the Retail & Properties Segment.

In addition, impairment charges of € 3.4 million were recognised to property, plant and equipment in the Airport and Retail & Properties Segments during 2012.

### › Group EBIT of € 108.0 million

EBIT in € million	2012	Change in %	2011	2010
Airport	68.5	20.0	57.1	78.9
Handling	17.7	n.a.	0.2	15.1
Retail & Properties	41.6	37.1	30.3	38.0
Other Segments	4.4	-5.7	4.7	-3.4
<b>Group EBIT<sup>1</sup></b>	<b>108.0</b>	<b>60.8</b>	<b>67.2</b>	<b>102.3</b>

EBIT by Segment	2012	2011	2010
Airport	63.4 %	85.0 %	77.1 %
Handling	16.3 %	0.2 %	14.8 %
Retail & Properties	38.5 %	45.2 %	37.2 %
Other Segments	4.1 %	7.0 %	-3.4 %
<b>Group EBIT<sup>1</sup></b>	<b>100.0 %</b>	<b>100.0 %</b>	<b>100.0 %</b>

1) For reconciliation of segments results see notes (1), page 136

Group EBIT rose by € 40.8 million, or 60.8%, in 2012. The largest share of Group EBIT was recorded by the Airport Segment at € 68.5 million (2011: € 57.1 million), followed by the Retail & Properties Segment with € 41.6 million (2011: € 30.3 million). The Handling Segment generated 16.3% of Group EBIT, or € 17.7 million (2011: € 0.2 million). EBIT in the Other Segments amounted to € 4.4 million (2011: € 4.7 million).

### › Financial results improve € 7.9 million to minus € 14.3 million

Financial results	2012	Change in %	2011	2010
Income from investments, excl. companies at equity	0.9	155.4	0.4	0.3
Interest income	4.2	-9.7	4.6	3.4
Interest expense	-25.2	85.2	-13.6	-11.0
Other financial expense/income	0.2	-88.3	1.6	0.1
<b>Financial results, excl. companies at equity</b>	<b>-19.9</b>	<b>183.6</b>	<b>-7.0</b>	<b>-7.3</b>
Impairment losses to investments recorded at equity	0.0	-100.0	-19.4	0.0
Proportional share of income from companies recorded at equity	5.6	31.2	4.3	3.6
<b>Financial results</b>	<b>-14.3</b>	<b>-35.5</b>	<b>-22.2</b>	<b>-3.6</b>

Financial results equalled minus € 14.3 million for 2012, compared with minus € 22.2 million in the previous year. Financial results, excluding companies at equity, rose by € 0.9 million due to an increase in dividends.

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Net interest result declined from minus € 9.0 million in 2011 to minus € 21.0 million for the reporting year. Interest income was € 0.4 million lower due to a decrease in the volume of short-term investments, while interest expense rose by € 11.6 million. The increase in interest expense reflects a change in the accounting treatment of borrowing costs for Check-in 3, which were previously capitalised but have been recorded under interest result since the second quarter of 2012.

In 2011 impairment charges of € 19.4 million were recognised to the investments in Flughafen Friedrichshafen GmbH and Košice Airport to reflect the reduced growth in traffic and the subsequent revision of medium-term forecasts. In 2012 the proportional share of income from investments recorded at equity amounted to € 5.6 million (2011: € 4.3 million). The total income from investments recorded at equity improved from minus € 15.1 million in 2011 to plus € 5.6 million for the reporting year.

### › Profit before taxes of € 93.7 million

FWAG recorded profit before taxes (EBT) of € 93.7 million in 2012 (2011: € 45.0 million).

The income from the companies included in the consolidated financial statements was taxed almost exclusively in Austria. The tax rate applicable to profit before tax equalled 22.8% in 2012 (2011: 29.9%). Net profit of € 72.3 million for the reporting year (2011: € 31.6 million) includes € 0.4 million that is attributable to non-controlling interests. Therefore, the share of net profit attributable to the equity holders of the parent company amounted to € 71.9 million in 2012 (2011: € 31.6 million).

Based on an unchanged number of shares outstanding, earnings per share equalled € 3.42 (2011: € 1.50).

### › Financial and capital management

The financial management of the Flughafen Wien Group is supported by a system of indicators that is based on selected and closely synchronised ratios. These indicators define the scope of development, profitability and financial security within which the Flughafen Wien Group moves in the pursuit of its primary goal to generate profitable growth.

Depreciation, which will rise over the coming years due to the high level of capital expenditure at the airport, has a significant influence on the earning indicators monitored by the Flughafen Wien Group. In order to permit an independent evaluation of the operating strength and performance of the individual business segments, EBITDA – which equals operating profit plus depreciation and amortisation – is defined as the key indicator. The Group also uses the EBITDA margin, which shows the relationship of EBITDA to revenue. The EBITDA margin equalled 36.5% in 2012, compared with 32.5% in the previous year. The protection of high profitability is a stated long-term goal of management.

The optimisation of the financial structure has top priority for the company. This financial security is measured by the gearing ratio, which compares net financial liabilities with the carrying amount of equity.

Financial liabilities declined € 102.9 million year-on-year in 2012 due to a lower volume of investments and effective liquidity management as well as the premature repayments made possible by these measures. Consequently, cash and cash equivalents fell by € 70.9 million to € 40.4 million as of 31 December 2012. Net debt, considering invested

funds totalled € 719.6 million (2011: € 751.7 million). Based on equity of € 851.6 million at year-end 2012, gearing equalled 84.5% (2011: 92.6%).

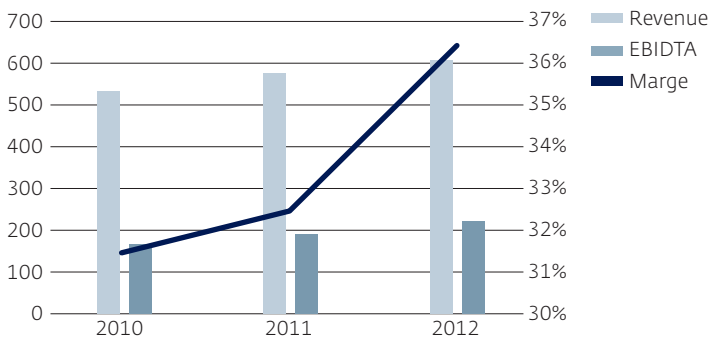
In addition to the EBIT margin, the return on equity (ROE) is also used to evaluate the Group's profitability. ROE compares net profit for the period with the average capital employed during the financial year. The benchmark for this return is the cost of capital, which represents a weighted average of the cost of equity and debt (weighted average cost of capital; WACC).

### › Profitability indicators

in %	2012	2011	2010
EBITDA margin <sup>1</sup>	36.5	32.5	31.5
EBIT margin <sup>2</sup>	17.8	11.5	19.2
ROE <sup>3</sup>	8.7	3.9	9.4
ROCE before tax <sup>4</sup>	6.5	4.2	6.8

### Development of Revenue, EBITDA and EBITDA-Marge

in Euro mill.



1) EBITDA margin = Earnings before interest, taxes, depreciation and amortisation / Revenue

2) EBIT margin = Earnings before interest and taxes / Revenue

3) ROE (Return on Equity) = Net profit for the period / Average equity

4) ROCE (Return on Capital Employed before Tax) = EBIT / Average capital employed

# Financial, Asset and Capital Structure

## › Balance sheet structure

	2012		2011	
	in € million	as a % of the balance sheet total	in € million	as a % of the balance sheet total
<b>ASSETS</b>				
Non-current assets	1,911.7	92.7	1,925.2	89.5
Current assets	150.1	7.3	224.9	10.5
Thereof liquid funds	40.4	2.0	111.3	5.2
<b>Balance sheet total</b>	<b>2,061.8</b>	<b>100.0</b>	<b>2,150.2</b>	<b>100.0</b>
<b>EQUITY AND LIABILITIES</b>				
Equity	851.6	41.3	811.4	37.7
Non-current liabilities	834.2	40.5	1,011.6	47.0
Current liabilities	376.0	18.2	327.1	15.2
<b>Balance sheet total</b>	<b>2,061.8</b>	<b>100.0</b>	<b>2,150.2</b>	<b>100.0</b>

The balance sheet total of the Flughafen Wien Group declined 4.1% to € 2,061.8 million as of 31 December 2012. The capital-intensive nature of the Group's business activities was reflected in an increase in non-current assets to 92.7% (2011: 89.5%) of the balance sheet total. Current assets were lower, above all due to a decline in cash and cash equivalents.

Equity rose 3.6 percentage points year-on-year to € 851.6 million. The premature repayment of financial liabilities reduced non-current liabilities to 40.5% (2011: 47.0%) of the balance sheet total. Current liabilities increased slightly in 2012 and totalled € 376.0 million as of 31 December 2012.

## › Assets

Non-current assets declined 0.7% to € 1,911.7 million as of 31 December 2012. The carrying amount of intangible assets increased 5.8% to € 16.2 million. Additions of € 3.3 million and transfers of € 5.9 million were contrasted by amortisation of € 3.8 million. Goodwill which was allocated to the cash-generating unit Real Estate Office following a change in the definition of the CGU was written down through an impairment charge of € 4.3 million to reflect a reassessment of the expected occupancy.

Property, plant and equipment with a carrying amount of € 1,677.5 million represented the largest component of non-current assets in 2012: additions of € 86.5 million were contrasted by depreciation of € 94.0 million. The majority of the additions during the reporting year were related to the terminal extension Check-in 3 at € 32.9 million. The carrying amount of land and buildings rose by € 724.3 million over the comparable prior year level. Additions of € 37.8 million and transfers of € 728.9 million were contrasted by depre-

ciation and impairment charges of € 41.5 million. The carrying amount of technical equipment and machinery rose by a significant amount in 2012: investments of € 12.1 million and transfers of € 136.8 million were contrasted by depreciation and impairment of € 31.5 million.

The carrying amount of other equipment, furniture, fixtures and office equipment was increased by additions of € 25.7 million and transfers of € 29.9 million, but reduced by depreciation of € 18.4 million.

The transfers from prepayments and construction in progress to the other asset categories were related mainly to the terminal extension Check-in 3 (€ 658.5 million), capitalised borrowing costs (€ 57.5 million), baggage sorting equipment (€ 46.3 million) and interface projects (€ 85.5 million). Previously incurred costs for technical noise protection (€ 34.6 million) were reclassified from construction in progress to property, plant and equipment and will be depreciated according to the rate at which this costs are used up.

The changes in investment property include additions of € 6.0 million as well as scheduled depreciation of € 3.7 million. Impairment charges of € 7.5 million were also recognised in 2012 to reflect updated medium-term forecasts for real estate in the Real Estate Cargo and Real Estate Office cash-generating units.

The carrying amount of companies consolidated at equity was increased by the positive development of these investments and the proportional share of results for the period. Other financial assets declined, chiefly due to the sale of securities and a decline in originated loans.

Current assets fell by 33.3% to € 150.1 million as of 31 December 2012. The main factor for this development was a decline in cash and cash equivalents to € 40.4 million (2011: € 111.3 million) that resulted from the repayment of financial liabilities and efficient liquidity management. Receivables and other assets decreased € 4.1 million year-on-year to € 75.6 million. This change reflected the refund of advance corporate tax payments and value added tax credits from previous years that was partly offset by a revenue-based rise of € 8.7 million in net trade receivables and the reversal of valuation allowances for receivables that were created in earlier years. Inventories remained nearly unchanged at the prior year level (€ 4.4 million), and securities increased slightly by € 0.1 million to € 29.7 million.

Non-current assets as a share of total assets increased from 89.5% to 92.7% due to the stronger decline in cash and cash equivalents compared with property, plant and equipment. The balance sheet total declined 4.1% to € 2,061.8 million.

## › Equity and Liabilities

Equity recorded by the Flughafen Wien Group rose by 5.0% to € 851.6 million at year-end 2012. Net profit of € 72.3 million for the reporting year was contrasted by the dividend payment of € 21.0 million for 2011. The fair value measurement of securities and the reversal of the hedging reserve also led to an increase in equity. Equity was reduced by the recognition of actuarial losses totalling € 11.5 million that resulted from a decline in the interest rates applied to employee-related provisions. Non-controlling interests as of 31 December 2012 represent the stake held by RZB Holding GmbH in the Slovakian subsidiary BTS Holding a.s. "v likvidácii" (in liquidation), Bratislava. The non-controlling interests of the co-shareholder were increased by the reversal of a valuation allowance to other receivables in the individual financial statements of BTS Holding a.s. "v likvidácii" (in liquidation), Bratislava.

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The equity ratio rose from 37.7% at year-end 2011 to 41.3% as of 31 December 2012. This increase resulted, above all, from the reduction of financial liabilities.

The 17.5% reduction in non-current liabilities to € 834.2 million is explained, above all, by the premature repayment of the € 64.0 million promissory note and a partial premature repayment of € 17.9 million on a loan concluded in connection with an Austrian law to strengthen liquidity ("Unternehmensliquiditätsstärkungsgesetz", ULSG). An agreement was reached for the remaining balance of the promissory note that reduced the interest margin based on an unchanged term. In accordance with the repayment schedules for the ULSG loan and the promissory note, € 85.7 million and € 17.9 million, respectively, were reclassified to current financial liabilities.

The decline in non-current liabilities was contrasted by an increase of € 18.5 million in non-current provisions to € 133.7 million – primarily for additions to the provisions for severance compensation, pensions, service anniversary bonuses and other items. Other non-current liabilities fell by 25.5%, or € 13.1 million, chiefly due to a change in the maturity structure of liabilities to the environmental fund, which are now reported as current items. Non-current deferred tax liabilities declined € 0.2 million to € 23.4 million (2011: € 23.6 million).

Current liabilities rose 15.0% over the level at 31 December 2011 to € 376.0 million. Current provisions declined by € 23.0 million and trade payables by € 22.9 million, but the provision for taxes rose to € 9.3 million due to the increase in pre-tax profit (2011: € 7.2 million). The increase of € 79.7 million in current financial liabilities resulted from the following factors: reclassifications of € 105.9 million from non-current liabilities, repayments of € 42.9 million on the ULSG loan and an increase of € 20.0 million in short-term borrowings. The € 13.1 million increase in other current liabilities resulted chiefly from the reclassification of liabilities to the environmental fund.

## › Financial Indicators

	2012	2011	2010
Net debt in € million <sup>1</sup>	719.6	751.7	666.3
Equity ratio in %	41.4	37.7	41.2
Gearing in % <sup>2</sup>	84.5	92.6	81.0
Equity in € million	851.6	811.4	823.0
Working capital in € million	-77.5	-111.3	-119.4
Fixed assets / balance sheet total in %	92.7	89.5	90.3
Asset coverage II in %	88.2	94.3	98.6

1) Net debt = Interest-bearing liabilities - cash and cash equivalents - marketable securities

2) Gearing = (Interest-bearing liabilities - cash and cash equivalents) / Equity



**> Cash flow statement**

	2012	Change in %	2011	2010
Cash and cash equivalents as of 1 January	111.3	75.0	63.6	5.4
Cash flow from operating activities	179.7	0.4	178.9	169.7
Cash flow from investing activities	-126.7	-32.4	-187.5	-173.5
Cash flow from financing activities	-123.9	-320.1	56.3	61.9
Cash and cash equivalents as of 31 December	40.4	-63.7	111.3	63.6

Net cash flow from operating activities remained nearly unchanged at € 179.7 million, despite the increase in profit before taxes to € 93.7 million. This development is explained by the fact that provisions and liabilities declined by € 11.1 million in 2012, while the prior year brought an increase of € 13.8 million. In addition, corporate income tax payments of € 9.3 million were made in 2012 and receivables decreased € 2.5 million year-on-year.

Net cash flow from investing activities totalled minus € 126.7 million, compared with minus € 187.5 million in 2011. Payments of € 133.1 million (2011: € 223.5 million) for the purchase of property, plant and equipment and intangible assets were contrasted by proceeds of € 6.4 million on the disposal of non-current assets.

A dividend of € 21.0 million was distributed to the shareholders of the parent company in 2012 (2011: € 42.0 million). Current and non-current financial liabilities were also reduced by € 102.9 million during the reporting year. In total, cash and cash equivalents declined € 70.9 million to € 40.4 million as of 31 December 2012.

## Corporate Spending

Investments in intangible assets, property, plant and equipment and financial assets fell by 61.3% year-on-year to € 101.8 million in 2012. These expenditures comprise € 97.9 million for property, plant and equipment, € 3.3 million for intangible assets and € 0.5 million for financial assets. The major additions made during the 2012 and 2011 financial years are listed in the notes to the financial statements (note 13).

### › Terminal extension Check-in 3

The successful start of operations in the new terminal Check-in 3 on 5 June 2012 marked a milestone in 2012. Investments totalled € 32.9 million for the reporting year and involved the conclusion of projects in progress and measures to complete the facility. The experience gained from real-time operations is now being used as the basis for optimisation measures that will also continue in 2013. In addition several workgroups were formed to examine the possible solutions for single projects.

### › Investments and financing

Investments in € million	2012	Change in %	2011	2010
Intangible assets	3.3	-26.7	4.5	1.1
Property, plant and equipment	97.9	-61.7	255.8	144.4
Financial assets	0.5	-81.8	2.5	1.3
<b>Total investments</b>	<b>101.8</b>	<b>-61.3</b>	<b>262.8</b>	<b>146.9</b>

Financing in € million				
Net cash flow from operating activities	179.7	0.4	178.9	169.7
Depreciation and amortisation	113.4	-19.9	141.6	66.9

## Development of investments recorded at equity

Flughafen Wien AG holds investments, among others, in three international airports:

Malta Airport: Flughafen Wien AG holds a combined stake of approx. 33%. Of the total shares, 40% are held by a consortium in which FWAG has an investment of 57.1%, 10.1% are owned directly by FWAG (via VIE Malta), 20% by the Maltese government, and the remaining shares are listed on the stock exchange in Malta.

Košice Airport: Flughafen Wien AG has an indirect investment of 66%.

Flughafen Friedrichshafen GmbH: the stake held by Flughafen Wien equals 25.15%.

The development of passenger traffic in these international investments varied considerably due to the general economic climate. Malta Airport set a new record with a year-on-year increase of 4.1% to 3,649,979 passengers. Košice Airport reported a decline of 11.4% to 235,754 passengers and Friedrichshafen Airport a decline of 4.7% to 545,121 passengers. Košice and Malta contributed € 5.1 million to earnings in 2012.

## Financial Instruments

Information on the financial instruments used by the Flughafen Wien Group is provided in the notes to the financial statements (see note 34).

## Branch Offices

The Flughafen Wien Group had no branch offices in 2012 or 2011.

# Development Risks

## › Risk management

A risk management guideline defines and regulates the related activities in the Flughafen Wien Group (FWAG). The risk management process is designed to systematically identify and assess the risks to which the company is exposed and to take appropriate measures to minimise these risks. The associated procedures cover the analysis of all operating and strategic business processes. Responsibility lies with the individual business unit managers or subsidiary directors. The controlling department is responsible for and coordinates operational risk management, whereby a separate database is used to document the identified risks and the measures to be implemented.

The company has concluded insurance policies to minimise the risks arising from damages and liability. An internal control system (ICS) was installed to ensure the correctness and completeness of all business transactions in the company's accounting system. Flughafen Wien established an internal audit department that regularly evaluates business practices and organisational processes for compliance with Group guidelines, security and efficiency. The Management Board has therefore created the necessary instruments and structures to identify risks at an early point in time and to implement appropriate countermeasures or otherwise minimise these risks. The existing systems are evaluated on a regular basis and extended as required.

## › Economic risks

The development of business at FWAG is significantly influenced by global trends in air travel which, in turn, are heavily dependent on general economic conditions. Based on forecasts by Eurostat, FWAG expects an improvement in the macroeconomic environment during 2013 and, above all, 2014. Accordingly, FWAG is projecting further steady growth in passenger traffic at Vienna Airport.

The development of traffic is also significantly influenced by other external factors such as terror, war or other external shocks (e.g. pandemics, closing of air space due to natural disasters etc.). In addition to emergency plans, Vienna Airport works to counter the effects of such shocks, above all with high demands on the quality of security and proactive public relations. This involves close cooperation with the Austrian Federal Ministry of the Interior and the Federal Police Department in Schwechat as well as specially designed security measures for customers. Depending on the intensity and impact of such events, FWAG can react to the decline in traffic triggered by such shocks with the adjustment of available resources and the modification of its capital expenditure programme.

## › Branch risks

FWAG expects continued high competitive and cost pressure on the airlines. Forecasts by the branch association IATA show negative net profit<sup>1)</sup> for the European airlines in 2013. It can be assumed that the airlines will proceed with their efficiency and profitability im-

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<sup>1)</sup> IATA Financial Forecast, December 2012

provement programmes (cost reduction, portfolio optimisation, slower fleet expansion). This will also increase the cost pressure on the European airports.

The enactment of a new federal law ("Flugabgabegesetz") in 2011 resulted in an additional charge for airline passengers. The airlines are required to collect this additional duty for passengers departing from Austrian airports on behalf of the Austrian Ministry of Finance. The amount of the duty is dependent on the destination, and equalled € 8 for domestic and short-haul flights, € 20 for mid-haul flights and € 35 for long-haul flights up to 31 December 2012. As of 1 January 2013 the duty was revised as follows: short-haul flights € 7, mid-haul flights € 15 and long-haul flights € 35. In spite of the reduction, this duty continues to have a negative effect on passenger traffic. It also has an adverse impact on Vienna Airport because the vast majority of European countries have not implemented a similar charge.

### › Market and customer structure risks

The Austrian Airlines Group (AUA) is responsible for 49.5% of the passengers at Vienna Airport and is the largest customer of FWAG. Its sustainable development as a strong home carrier and the network strategy of the Star Alliance, in which the Austrian Airlines Group is a partner, have a significant influence on the commercial success of FWAG. The development of this key customer is continuously monitored and analysed by the responsible business units.

AUA made substantial progress with its restructuring programme in 2012. The related measures included the transfer of flight operations to Tyrolean Airways as of 1 July 2012, the harmonisation of the fleet (decommissioning of Boeing 737) and a product offensive for long-haul routes. However, the further development of AUA and, in turn, the development of passenger volumes and traffic at Vienna Airport is still connected with uncertainty.

With market shares of 12.0% and 6.3%, respectively, NIKI and airberlin hold second and third place in the FWAG customer ranking. NIKI announced a change in its strategic orientation beginning with the summer flight plan 2013 that will see the expansion of Vienna Airport's function as a hub for airberlin destinations in Greece. This development will strengthen Vienna's position as a hub for the airberlin Group. Plans also call for an increase in the offering of flights to Spain, Egypt and Turkey. NIKI will continue to harmonise its fleet in order to further improve cost efficiency, and the conversion to a pure Airbus fleet should be completed in 2013. FWAG expects further growth from NIKI in 2013 based on these measures, but developments at airberlin are connected with uncertainty because of the current earnings situation. The company is working to reach a sustainable competitive earnings position with its "Turbine" turnaround programme which includes, among others, a fleet reduction and the optimisation of the route network. However, FWAG assumes this will have a limited direct effect on Vienna Airport.

FWAG counteracts market risk with marketing measures as well as competitive fee and incentive models that apply equally to all airlines. In particular, the company's goal is to share the airlines' market risk and thereby promote strategically important inter-continental routes and traffic to destinations in Eastern and Central Europe.

The handling services provided by FWAG are the subject of growing price pressure as well as rising quality demands from the airlines. Service level agreements that include penalties for the failure to meet quality targets are becoming increasingly popular. Flug- >

hafen Wien AG was able to protect its leading market position in ramp handling and in cargo during the reporting year. The foundation for this strong standing in competition with other service providers is formed by specially designed service packages and high quality standards. New handling agreements for ramp services that cover the period up to 2019 were concluded with the key customers AUA and airberlin / NIKI. These agreements substantially reduce the market risk for the Handling Segment.

Flughafen Wien will face an additional challenge from a guideline for ground handling services that was recently released in draft form by the European Commission. Among others, this guideline requires the licensing of at least three agents (currently two) to provide ramp handling services at Vienna Airport and also gives airlines the right to carry out their own handling. The guideline would further increase competitive pressure and the risk of losing market shares to competitors. However, the European Parliament rejected the draft proposed by the Commission in a meeting on 12 December 2012. It is currently not possible to predict if and in what form the liberalisation targeted by the Commission will be implemented.

In the cargo business, the dominant market position of the few airlines and forwarding agents represents a certain risk. FWAG works to further diversify its portfolio and thereby reduce this risk by continuously monitoring these airlines and acquiring new customers.

FWAG rents buildings and space that are used primarily by airlines or rented by companies whose business is dependent on the development of air traffic. Consequently, this area is exposed not only to general real estate market risks, but also to the risks of shifts in passenger traffic and consumer behaviour that could have an effect on the development of earnings from the retail sector.

### › Development risks for international business

The foreign airport investments of Flughafen Wien (Malta, Košice and Friedrichshafen) are not only exposed to the above-mentioned branch risks, but also to additional local challenges and market risks. Political and regulatory risks – which include the taxation of air travel, air traffic restrictions by public authorities, changes in applicable laws and requirements by public authorities that result in additional costs – are monitored continuously. These types of factors can influence medium-term planning and create a risk that a specific investment may become impaired.

### › Financial risks

Capital expenditure at FWAG is financed primarily by operating cash flows as well as long-term, fixed interest and/or variable interest borrowings.

Interest rate risk results, above all, from variable interest financial liabilities and assets. The FWAG treasury department is responsible for the efficient management of interest rate and market risks, evaluates the respective risk positions on a regular basis as part of risk controlling and selectively uses interest rate derivatives to minimise the risk of changing interest rates.

Detailed information on financial instruments, strategies and financial risks – including liquidity risk, credit risk, interest rate risk and foreign exchange risk – is provided in the notes to the financial statements.

The EIB credit agreement defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of € 400.0 million. New offers for the acceptance of € 400.0 million in guarantees have been obtained. The EIB has already confirmed the new guarantors and the committed guarantee amounts. If a guarantor is downgraded by a rating agency, the EIB would require a substitute guarantor or other acceptable collateral.

### › Investment risk

FWAG's expansion projects are exposed to various risks – including the loss of suppliers, higher construction costs or changes in planning – that could increase the intended expenditures. A special analysis procedure is therefore used in the planning stage to evaluate the potential risk associated with investment projects, while regular risk monitoring is based on an analysis and evaluation process that is part of project controlling. Any special risks identified by the project managers (e.g. contaminated soil) are incorporated in the respective calculations.

Expansion projects are developed in close coordination with the airlines based on the expected development of traffic. Expert forecasts for the growth in passenger volumes over the medium- and long-term reduce the financial risk associated with these investments and ensure that sufficient capacity is available to meet the forecasted demand.

The environmental impact assessment for the construction of a third runway brought a positive decision in the first instance. A ruling issued on 10 July 2012 approved the construction and operation of "Parallel runway 11R/29L" by FWAG. This first-instance decision lists 460 requirements to protect residents and the environment. The appeal period ended on 24 August 2012, and 28 parties filed appeals against the decision. The environmental senate will serve as the second instance for these appeals. FWAG expects a final decision at year-end 2013. Construction would start in 2016 at the earliest, and the parallel runway would then be available for operations in 2020 or 2021. An initial estimate of the costs for this project, including the fulfilment of all requirements, is being prepared.

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits by 2020. The parallel runway project is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and profitability calculations. If the first-instance decision is reversed by the environmental senate or the project is not realised, previously capitalised costs – including the noise protection programme – would have to be written off.

The valuation of assets is based on the assumption that Vienna Airport will maintain its position as an east-west hub.

### › Legal risks

The requirements of public authorities, above all in the area of environmental protection (e.g. noise and emissions) can create legal risks. Flughafen Wien AG works to counter these risks, above all, with information and the involvement of local citizens in the mediation process (e.g. third runway) or through neighbourhood advisory boards. >

In connection with the construction of Check-in 3, all outstanding, unaccepted invoices (with one exception) related to cancelled contracts were settled with positive results. Possible claims against contractors for damages are also under evaluation. Court-certified technical experts have identified possible damage claims for unjustified cost increases in the millions of Euros. In this connection impairment charges of € 31.6 million were recognised during 2011. An agreement has already been reached with one insurance firm for compensation of € 11.1 million, and contractors have waived receivables totalling € 3.0 million. One contractor has repaid fees of € 7.6 million. FWAG will continue to actively pursue claims for damages against the involved contractors in 2013, and the public prosecutor's office has launched an investigation of the respective circumstances.

### › Personnel risks

Motivated and committed employees play an important role in the success of FWAG. In order to counteract the loss of know-how through turnover, numerous measures have been implemented to strengthen employee ties. Steps have also been taken to increase occupational safety and to minimise illness-related absences.

### › Operating risks

The major operating risks in the area of information and communications technology (system breakdowns and the destruction of central systems) were further reduced in 2012 by continuing the measures introduced in the previous year. After the installation of video- and access systems in Check-in 3 that meet data protection requirements, the risk of losing sensitive data replaced possible compliance inadequacies as the third key risk in this area. The loss of sensitive data is considered to be an operating risk because FWAG must publicly report any such incidents in accordance with Austrian data protection law. The systems used by FWAG have received all necessary official permits and reflect data protection requirements with respect to system security.

Redundant systems were installed at all central network interfaces in Check-in 3 to ensure uninterrupted operation of the network and related systems in the event of a breakdown. There is a slight risk in this area that these emergency measures may not be fully effective at the present time because of a recent error on the part of the network provider that has not been fully analysed. Work is currently proceeding to analyse and correct this error as quickly as possible.

The outdated mainframe (BULL Host / MACH ALT) was replaced by new technology (mach2) and deactivated in 2012. The mach2 has state-of-the-art monitoring systems and emergency procedures that were not available in this scope for the older system and can ensure a higher degree of reliability.

The mach2 systems form the backbone of the IT systems used at the airport. They provide nearly all other systems with an update on incoming and outgoing flights in near real-time and also show flights planned for the future. The necessary master data is administered centrally and also made available to the related systems.

In addition, the mach2 systems include a number of special functions that are required for airport operations: load planning, telex reception, dispatch and distribution, and display systems for passengers and employees. The systems for apron planning, ground handling disposition and cargo handling as well as SAP for invoicing and analysis are



closely linked to the mach2 systems. Proactive, electronic monitoring protects these systems, which are continuously developed to meet all legal and technical requirements.

### › **Environmental risks**

The situation at Vienna Airport can be considered stable because of the existing operational restrictions (prohibition on the use of noise-sensitive take-off and landing routes from 9:00 pm to 7:00 am) as well as a limit on the absolute number of flight movements between 11:30 pm and 5:30 am. Additional restrictions on night flights could lead, in particular, to a decline in cargo and long-haul traffic.

### › **Damage risks**

The risk of damages includes fire and other events that could result from natural disasters, accidents or terror as well as the theft of property. In addition to appropriate safety and fire protection measures and emergency plans that are rehearsed on a regular basis, these risks are covered by insurance.

### › **General risk assessment**

A general evaluation of the risk situation concluded that the continued existence of FWAG is protected for the foreseeable future and did not identify any risks that could endanger this continued existence. FWAG has sufficient liquidity reserves to pursue the airport expansion without delay.

# Report on the key features of the internal control and risk management systems for accounting processes

In accordance with § 82 of the Austrian Stock Corporation Act, the Management Board is responsible for the development and implementation of an internal control and risk management system for accounting processes that meets the company's requirements. The following section explains the organisation of the internal controls related to accounting processes at FWAG.

The structure and design of FWAG's internal control system was defined in a guideline. The objective of the internal control system (ICS) is to ensure the reliability of financial reporting and compliance with all applicable laws and regulations. The ICS covers all process-related monitoring measures in the organisation.

The description of the major features of these internal controls is based on the structure of the internationally recognised COSO model (Committee of Sponsoring Organizations of the Treadway Commission). Accordingly, the internal control system comprises the following components: control environment, risk assessment, control activities, information and communication and monitoring. The relevant processes involve the identification and assessment of the financial and accounting risks to which the company is exposed as well as the implementation of appropriate controls. The documentation for the control system is maintained in standard software that also supports the process-related depiction of risks and controls.

## › Control environment

The corporate culture within which management and employees operate has a significant influence on the control environment. FWAG works actively to improve communications and to convey its principal values as a means of anchoring moral standards, ethics and integrity in the company and in interaction with other parties. An important contribution in this area is the voluntary code of conduct implemented by FWAG, which defines the rules for giving and accepting gifts and invitations.

The implementation of the internal control system for accounting processes is regulated by internal guidelines and directives. The related responsibilities were adjusted to meet the needs of the company and thereby create a satisfactory control environment.

## › Risk assessment

The risks associated with accounting processes are identified by management and monitored by the Supervisory Board. Attention is focused on risks that are normally considered to be material. The annual financial statements form the main criterion for the identification of the major ICS risks. A change in the volume of business processes or the underlying accounts can lead to changes in the identifiable ICS risks and controls.

The preparation of the annual (consolidated) financial statements involves the use of estimates, which carry an inherent risk of deviation from actual future developments. In particular, the following circumstances or positions in the annual (consolidated) financi-

al statements are involved: employee-related provisions, the results of legal disputes, the collectability of receivables and the valuation of investments in other companies and property, plant and equipment. The company draws on external experts or publicly available sources whenever necessary, in order to minimise the risk of inaccurate estimates.

### › Control activities

In addition to the Supervisory Board and Management Board, mid-level management (e.g. department heads and senior managers) carry out control activities for on-going business processes to ensure that potential errors or variances in financial reporting are prevented, discovered and corrected. These controls range from the variance-based analysis of results for the various accounting periods by management and the controlling department to the specific transition of accounts and the analysis of routine accounting processes. Compliance with the dual control principle is ensured.

Control activities to guarantee IT security represent an integral part of the internal control system. Access to sensitive functions and data is restricted. SAP and PC Konsol enterprise reporting software are used for accounting and financial reporting purposes. The functionality of the accounting system is guaranteed, among others, by automated IT controls.

In the subsidiaries, the respective managers are responsible for the development and implementation of an internal control and risk management system for accounting processes that meets the needs of their particular company. These managers also represent the final authority for ensuring compliance with all related group guidelines and directives.

### › Information and communication

The guidelines and directives for financial reporting are updated regularly by management, and communicated to all involved employees via the Intranet or internal announcements. Activities at the management level are intended to ensure compliance with all accounting guidelines and directives, and to also identify and communicate weak points and opportunities for the improvement of accounting processes. The accounting staff also attends regular training courses that cover changes in international accounting policies and practices, in order to minimise the risk of unintended errors.

### › Monitoring

Management, the controlling department and the Supervisory Board are responsible for continuous monitoring of the internal control systems in FWAG. In addition, the individual department heads and senior managers are responsible for monitoring activities in their respective areas. Specific persons have been designated as the responsible control authorities. Controls are reviewed to ensure their effectiveness, and the ICS is also evaluated by the internal audit department. The results of monitoring activities are reported to management and the Supervisory Board.

## Research and Development

The information systems service unit is a central internal service provider for information and communications technology. As such, it works to improve and expand the various programme modules for the internally generated airport software and individual standard applications. The MACH airport operating system, which was used for many decades, was replaced by the mach2 successor system in 2012.

In connection with the start of operations in Check-in 3, the IT department installed interfaces from mach2 to various other systems (e.g. the door control system, baggage sorting equipment, the higher-level handling system etc.).

The activities of the information systems service unit also focused on the implementation of the CDM-ISP project (Collaboration Decision Making-Information Sharing Platform) in 2012. The information sharing platform to be developed as part of this project will create the basis for introducing the CDM process in the Flughafen Wien Group. Through more exact planning, better analysis and the optimisation of resources, this tool will lead to significant cost savings for the participating system partners.

Expenses for the research and development of individual programme modules of the airport operations software amounted to € 1.1 million in 2012 (2011: € 1.9 million).

## Environmental and Labour Issues

### › The Environment

FWAG is committed to careful and conscious interaction with the environment and to sustainable management, and has implemented numerous measures to reach these goals. The recently purchased de-icing vehicles (2012: € 4.9 million) can reduce the use of de-icing materials by up to 25%. A further € 1.2 million was also invested in environmental protection (excluding the noise protection programme) during the reporting year (2011: € 1.3 million). Activities focused on the reduction of pollutant and noise emissions in order to minimise the impact of the airport on its surrounding environment – and above all on neighbouring residents. A project was also launched to improve energy efficiency, which calls for concrete measures to reduce energy consumption. Substantial cost savings were realised by replacing technical equipment, optimising air conditioning, replacing frequency converters and improving the apron lighting. The installation and practical implementation of the CDM system (Collective Decision Making) with the system partners at Vienna Airport will not only create organisational benefits, but also produce significant ecological improvements through a reduction in taxiing and waiting times. FWAG also participates in the ACAS (Airport Carbon Accreditation System) programme managed by ACI, which will lead to a sustainable reduction in CO<sub>2</sub> emissions at Vienna Airport.

### › Overview of environmental indicators for Flughafen Wien AG:

	2012	2011
Number of passengers	22,165,794	21,106,292
Electricity consumption per year in kWh	156,030,072	135,871,470
Electricity consumption in kWh per year and passenger	7.04	6.44
Heat consumption per year in MWh	123,964	122,317
Heat consumption in MWh per year and passenger	0.056	0.058
Water consumption per year in m <sup>3</sup>	703,974	674,472
Water consumption in m <sup>3</sup> per year and passenger	0.032	0.032
Waste water disposal per year in m <sup>3</sup>	649,071	663,500
Waste water disposal per year and passenger	0.029	0.032
Residual waste aircraft in kg	1,164,280	1,125,500
Residual waste aircraft in kg per passenger	0.053	0.053
Waste paper VIE in kg	1,778,500	2,016,180
Waste paper VIE in kg per passenger	0.080	0.096
Aluminium/cans/metal VIE in kg	9,250	6,395
Aluminium/cans/metal in kg per passenger	0.0004	0.0003
Biogenic waste VIE in kg	195,560	217,580
Biogenic waste VIE in kg per passenger	0.009	0.010
Glass VIE in kg	100,010	74,281
Glass VIE in kg per passenger	0.005	0.004
Plastic packaging VIE in kg	135,960	145,660
Plastic packaging VIE in kg per passenger	0.006	0.007
Hazardous waste VIE in kg	202,574	140,257
Hazardous waste VIE in kg per passenger	0.009	0.007
Share recycled in %	90.3%	90.9%

### › Workforce issues

The average number of employees in FWAG declined by 50 in 2012 as a result of synergy effects from organisational restructuring and the on-going cost reduction programme. The opening of the new terminal Check-in 3 led to a temporary increase in the workforce during the summer to deal with security issues related to the operational start-up. The largest staff reduction was recorded in the Handling Segment, where process optimisation led to a decline of 52 employees on average. FWAG had 4,306 employees as of 31 December 2012, or 194 less than year-end 2011 (4,500 employees).

The measures implemented in previous years to reduce holiday and overtime were continued in 2012.

### › Average number of employees by segment

	2012	Change in %	2011	2010
Airport	432	4.1	415	412
Handling	3,233	-1.6	3,285	3,064
Retail & Properties	57	-15.7	67	77
Other Segments	569	- 5.2	600	572
Not allocated	185	17.2	158	141
<b>Total</b>	<b>4,475</b>	<b>- 1.1</b>	<b>4,525</b>	<b>4,266</b>

### › Employees

	2012	Change in %	2011	2010
Number of employees (average)	4,475	- 1.1	4,525	4,266
Thereof wage employees	3,301	- 0.4	3,314	3,101
Thereof salaried employees	1,174	- 3.0	1,211	1,165
Number of employees (31 December)	4,306	- 4.3	4,500	4,336
Thereof wage employees	3,112	- 4.6	3,262	3,119
Thereof salaried employees	1,194	- 3.6	1,238	1,217
Apprentices	57	2.9	56	52
Traffic units per employee <sup>1</sup>	7,362	7.5	6,848	6,686
Average age in years <sup>1</sup>	39.9	1.0	39.5	39.2
Length of service in years <sup>1</sup>	10.4	- 1.0	10.5	10.3
Share of women in % <sup>1</sup>	12.4	0.8	12.3	12.3
Training expenditures in EUR <sup>1</sup>	730,000	-30.4	902,000	1,055,000
Reportable accidents <sup>1</sup>	145	1.4	143	165

1) Based on Flughafen Wien AG

The number of traffic units per employee in FWAG rose by 7.5% to 7,362 units in 2012 based on the strong development of traffic and the implementation of measures to improve efficiency throughout the Group.

Flughafen Wien also provides voluntary benefits for its workforce to strengthen identification with the company and to increase motivation. These benefits include free-of-charge transportation to and from Vienna, a day care centre with flexible opening hours and reduced costs for numerous recreational and sporting activities.

The independent private foundation (employee foundation) established over 10 years ago gives employees an opportunity to participate in the success of Flughafen Wien AG. This foundation holds 10% of the shares in FWAG and distributes the dividends received on these shares to company employees. € 2.1 million was dispersed during the reporting year – which represents the dividend payment for 2011 – and corresponds to 26.9% of the average monthly salary or wage per employee.

# Disclosures required by § 243a of the Austrian Commercial Code

## › 1. Share capital and shares

The share capital of Flughafen Wien AG totals € 152,670,000 and is fully paid in. It is divided into 21,000,000 shares of bearer stock, which are securitised in a collective certificate and deposited at the ÖKB (Österreichische Kontrollbank AG). All shares carry the same rights and obligations ("one share = one vote").

## › 2. Syndication agreement

Two core shareholders – the province of Lower Austria (4.2 million shares) and the city of Vienna (4.2 million shares) – hold 40% of the company's shares in a syndicate. The syndication agreement was concluded in 1999 and has remained unchanged since that time. It calls for the joint exercise of voting rights on the syndicated shares at the annual general meeting. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval. The syndication agreement provides for reciprocal rights of purchase if one party intends to sell its syndicated shares to a buyer outside the syndicate (third party) through a legal transaction in exchange for return compensation. This reciprocal right of purchase does not apply if the syndicated shares are transferred to a holding company in which the transferring syndicate partner owns at least a majority stake. The company is not aware of any other limitations on voting rights or the transfer of shares.

## › 3. Investments of over 10% in the company

The city of Vienna and the province of Lower Austria each hold an investment of 20% in Flughafen Wien AG. In addition, Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) holds 10% of the share capital of Flughafen Wien AG. Since 8 June 2012 Silchester International Investors LLP has held a stake of 10.07%. The company is not aware of any other shareholders with a stake of 10% or more in share capital.

## › 4. Shares with special control rights

The company is not aware of any special control rights on the part of shareholders.

## › 5. Control of voting rights for the shares held by the employee foundation

The voting rights for the shares held by the Flughafen Wien employee foundation are exercised by the managing board of this entity. The appointment to or dismissal of members from the foundation's managing board requires the approval of the advisory board of the Flughafen Wien employee fund, whereby a simple majority is required for such decisions. The advisory board is comprised of five members, with two members each delegated by employees and the employer. These four members unanimously elect a fifth person to serve as the chairman of the advisory board.

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## › 6. Appointment and dismissal of members of the Management and Supervisory Boards

In accordance with the Austrian Corporate Governance Code, the company's articles of association permit the appointment of a person to the Management Board for the last time in the calendar year in which the candidate reaches his/her 65th birthday. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches his/her 70th birthday. There are no other provisions governing the appointment or dismissal of members of the Managing Board or Supervisory Board or the amendment of the company's articles of association that are not derived directly from Austrian law.

## › 7. Share buyback and authorised capital

The Management Board has been granted no explicit rights that are not derived directly from Austrian law, in particular with respect to the issue or repurchase of shares in the company. The company has no authorised capital at the present time.

## › 8. Change of control

Change of control clauses are included in the agreements for the € 400.0 million EIB (European Investment Bank) loan, the € 39.5 million promissory note and the € 300.0 million loan (current balance: € 239.9 million) concluded pursuant to an Austrian law to strengthen liquidity ("Unternehmensliquiditätsstärkungsgesetz"). These financing agreements with a total volume of € 739.5 million (current balance: € 678.8 million) were concluded with Austrian and international financial institutions. In the event of an actual, impending or justifiably assumed change of control (in accordance with the following definition), these financial liabilities could be called prematurely and related collateral may be cancelled if there are reasons to assume the change will or could have a negative impact on the future fulfilment of the financial liability and Flughafen Wien AG does not take actions within a certain period of time to provide this contract partner with collateral that is deemed acceptable. A change of control is defined as an event that leads to (i) a direct or indirect reduction in the investment held jointly by the province of Lower Austria and the city of Vienna in Flughafen Wien AG to less than 40% of the total number of voting shares or (ii) a natural person or legal entity that currently does not exercise control over Flughafen Wien AG gains control over Flughafen Wien AG (e.g. either directly or indirectly, through the ownership of shares, economic circumstances or in another manner, and either alone or together with third parties (i) acquires more than 50% of the voting shares in Flughafen Wien AG or (ii) the right to nominate the majority of members to the decision-making bodies of Flughafen Wien AG or exercises a controlling influence over these persons). For financing of € 559.1 million, a change of control does not include the direct or indirect reduction in the joint investment held by the province of Lower Austria and the city of Vienna to less than 40% but more than 30% of the voting shares in Flughafen AG in conjunction with a capital increase by the company without the full or partial exercise of subscription rights by these two shareholders, unless a natural person or legal entity that does not currently exercise control over Flughafen Wien AG gains control over the company at the same time.



## › 9. Compensation agreements in the event of a public takeover bid

There are no agreements for compensation between the company and the members of its Management Board, Supervisory Board or employees that would take effect if a public takeover bid is made.

## Outlook

Forecasts by the Austrian economic research institute WIFO point to real GDP growth of 1.0% for Austria in 2013. The estimates for global economic development are significantly less optimistic and, if realised, will have a negative effect on Austria with its export-oriented economy in spite of the country's sound basic indicators. Economic growth in the industrial countries is estimated to reach 2.0%, while the Euro zone should only generate growth of 1.1% due to the on-going debt crisis.

WIFO forecasts for growth in the Austrian export sector show a real plus of 3.8% in 2013. Unemployment should rise slightly to 7.4%, and private consumer spending should increase by only 0.7%.

Against the backdrop of the airlines' strategy to limit capacity expansion, FWAG expects a moderate increase of 1% to 2% in the number of passengers, a decline of 1.5% to 2.5% in flight movements and stagnation in maximum take-off weight (MTOW) during 2013.

Based on the above traffic forecasts, FWAG expects an increase in revenue to over € 625 million and a significant improvement in EBITDA to at least € 230 million. Profit for the period should match the 2012 level and, from the current point of view, will exceed € 65 million. Net debt should decline by a substantial amount to less than 2.9-times EBITDA, i.e. less than € 680 million. Capital expenditure should amount to € 115 million in 2013.

## Subsequent Events

Traffic was lower in January 2013 due to the extreme winter weather in Vienna and large parts of Europe during the middle of the month. The number of passengers fell by 1.7% year-on-year to 1,374,156. Declines were recorded in flight movements with minus 5.2%, maximum take-off weight (MTOW) with minus 3.9% and cargo turnover with minus 6.4%. In addition, the number of transfer passengers fell by 2.4%. A decline is also expected in February 2013 because there is no extra calendar day this year (29 February 2012).

As of 1 January 2013, FWAG fees were adjusted as follows based on the formula defined by Austrian law:

Landing fee, infrastructure fee airside, parking fee	+ 1.56%
Passenger fee, infrastructure fee landside	+ 0.72%
Infrastructure fee fuelling	+ 1.14%

The PRM fee (passengers with reduced mobility) remains unchanged at € 0.34 per departing passenger. Also unchanged is the security fee at € 7.70 per departing passenger.

In the general aviation/business aviation sector, the landing fee for aircraft up to 4 tonnes MTOW was raised to a flat rate of € 112.37 per landing. In contrast, the landing fee for aircraft from 4 tonnes to 25 tonnes MTOW was reduced by approx. 0.5%. The passenger fee for general aviation/business aviation flights was raised to € 16.80 and now equals the passenger fee in the main terminal. The passenger fee for all passengers at Vienna Airport was subsequently reduced by € 0.01 per departing passenger.

Schwechat, 26 February 2013

### The Management Board



**Günther Ofner**  
Member, CFO



**Julian Jäger**  
Member, COO





# Consolidated Financial Statements 2012 of Flughafen Wien AG

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# Consolidated Income Statement

for the period from 1 January to 31 December 2012

in T€	Notes	2012	2011
<b>Revenue</b>	(1)	<b>607,371.7</b>	<b>581,996.7</b>
Other operating income	(2)	24,098.5	20,436.9
<b>Operating income</b>		<b>631,470.3</b>	<b>602,433.6</b>
Consumables and services used	(3)	-43,188.9	-42,057.3
Personnel expenses	(4)	-249,664.0	-258,453.3
Other operating expenses	(5)	-117,231.4	-112,916.5
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>		<b>221,386.0</b>	<b>189,006.5</b>
Depreciation and amortisation	(6)	-98,111.1	-66,332.0
Impairment	(6)	-15,248.6	-55,489.2
<b>Earnings before interest and taxes (EBIT)</b>		<b>108,026.3</b>	<b>67,185.2</b>
Income from investments, excl. companies at equity	(8)	932.1	365.0
Interest income	(9)	4,170.9	4,620.7
Interest expense	(9)	-25,199.9	-13,603.3
Other financial expense/income	(10)	187.4	1,598.0
<b>Financial results, excl. companies at equity</b>		<b>-19,909.5</b>	<b>-7,019.6</b>
Impairment losses to investments recorded at equity	(7)	0.0	-19,419.2
Proportional share of income from companies recorded at equity	(7)	5,625.3	4,286.8
<b>Financial results</b>		<b>-14,284.2</b>	<b>-22,152.0</b>
<b>Profit before taxes (EBT)</b>		<b>93,742.0</b>	<b>45,033.2</b>
Income taxes	(11)	-21,414.7	-13,453.3
<b>Net profit for the period</b>		<b>72,327.3</b>	<b>31,580.0</b>
<b>Thereof attributable to:</b>			
<b>Equity holders of the parent</b>		<b>71,889.8</b>	<b>31,602.4</b>
<b>Non-controlling interests</b>		<b>437.5</b>	<b>-22.4</b>
Number of shares outstanding (weighted average)	(21)	21,000,000	21,000,000
Earnings per share (in €, basic = diluted)		3.42	1.50
Recommended/paid dividend per share (in €)		1.05	1.00
Recommended/paid dividend (in T€)		22,050.0	21,000.0
Pay-out ratio (in % of net profit)		30.49	66.50

# Consolidated Statement of Comprehensive Income

for the period from 1 January to 31 December 2012

in T€	2012	2011
Net profit for the period	72,327.3	31,580.0
<b>Income and expenses recognised directly in equity</b>		
Change in fair value of available-for-sale securities	175.6	-2,141.3
Thereof changes not recognised through profit or loss	228.2	-232.4
Thereof realised gains (-) / losses (+)	-52.6	-1,908.9
Cash flow hedge	240.5	216.9
Thereof realised gains (-) / losses (+)	240.5	0.0
Actuarial gains and losses	-15,313.2	437.8
Deferred taxes on items recognised directly in equity	3,724.3	371.7
<b>Other comprehensive income</b>	<b>-11,172.8</b>	<b>-1,115.0</b>
<b>Total comprehensive income</b>	<b>61,154.5</b>	<b>30,465.0</b>
<b>Thereof attributable to:</b>		
Equity holders of the parent	60,717.0	30,487.4
Non-controlling interests	437.5	-22.4

# Consolidated Balance Sheet

as of 31 December 2012

in T€	Notes	31.12.2012	31.12.2011
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	(12)	16,177.0	15,285.5
Property, plant and equipment	(13)	1,677,534.4	1,692,541.2
Investment property	(14)	118,863.6	119,935.4
Investments accounted for using the equity method	(15)	94,718.9	90,968.2
Other financial assets	(16)	4,419.4	6,514.4
		<b>1,911,713.2</b>	<b>1,925,244.6</b>
<b>Current assets</b>			
Inventories	(17)	4,356.0	4,343.3
Securities	(18)	29,652.0	29,535.0
Receivables and other assets	(19)	75,643.2	79,705.4
Cash and cash equivalents	(20)	40,439.0	111,330.0
		<b>150,090.2</b>	<b>224,913.7</b>
<b>Total Assets</b>		<b>2,061,803.4</b>	<b>2,150,158.3</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	(21)	152,670.0	152,670.0
Capital reserves	(22)	117,657.3	117,657.3
Other reserves	(23)	-13,183.3	-2,010.5
Retained earnings	(24)	593,786.5	542,896.7
Attributable to equity holders of the parent		850,930.6	811,213.5
Non-controlling interests	(25)	647.9	210.4
		<b>851,578.4</b>	<b>811,423.9</b>
<b>Non-current liabilities</b>			
Provisions	(26)	133,707.0	115,195.1
Financial liabilities	(27)	638,730.2	821,285.4
Other liabilities	(28)	38,429.7	51,557.8
Deferred tax liabilities	(29)	23,367.1	23,606.9
		<b>834,233.9</b>	<b>1,011,645.2</b>
<b>Current liabilities</b>			
Provisions for taxation	(30)	9,258.6	7,194.5
Other provisions	(30)	87,272.9	110,318.1
Financial liabilities	(27)	151,006.5	71,301.9
Trade payables	(31)	69,583.7	92,531.6
Other liabilities	(32)	58,869.3	45,743.0
		<b>375,991.0</b>	<b>327,089.2</b>
<b>Total Equity and Liabilities</b>		<b>2,061,803.4</b>	<b>2,150,158.3</b>



# Consolidated Cash Flow Statement

for the period from 1 January to 31 December 2012

in T€	2012	2011
Profit before taxes	93,742.0	45,033.2
+ Depreciation / - revaluation of non-current assets	109,595.7	139,281.9
+ Losses / - gains on the disposal of non-current assets	-1,449.2	699.6
+ Losses / - gains on the disposal of securities	0.0	-1,556.6
- Reversal of investment subsidies from public funds	-278.2	-617.3
- Other non-cash transactions	961.1	216.9
- Increase / + decrease in inventories	-12.7	161.1
- Increase / + decrease in receivables	-2,474.2	-6,001.8
+ Increase / - decrease in provisions	-3,672.2	12,233.1
+ Increase / - decrease in liabilities	-7,405.5	1,527.4
Net cash flows from ordinary operating activities	189,006.8	190,977.6
- Income taxes paid	-9,336.3	-12,064.9
<b>Net cash flow from operating activities</b>	<b>179,670.5</b>	<b>178,912.6</b>
+ Payments received on the disposal of non-current assets	6,385.0	1,847.0
- Payments made for the purchase of non-current assets	-133,095.8	-223,477.4
Payments received in connection with non-refundable government grants	0.0	96.0
+ Payments received on the disposal of securities	0.0	34,048.7
<b>Net cash flow from investing activities</b>	<b>-126,710.9</b>	<b>-187,485.7</b>
- Dividend	-21,000.0	-42,000.0
Change in financial liabilities	-102,850.6	98,270.4
<b>Net cash flow from financing activities</b>	<b>-123,850.6</b>	<b>56,270.4</b>
Change in cash and cash equivalents	-70,891.0	47,697.3
+ Cash and cash equivalents at the beginning of the period	111,330.0	63,632.7
<b>Cash and cash equivalents at the end of the period</b>	<b>40,439.0</b>	<b>111,330.0</b>

Detailed explanation see note (33)

# Consolidated Statement of Changes in Equity

for the period from 1 January to 31 December 2012

in T€	Attributable to equity				
	Share capital	Capital reserves	Available-for-sale reserve	Hedging reserve	Actuarial gains and losses
<b>Balance on 1.1.2011</b>	<b>152,670.0</b>	<b>117,657.3</b>	<b>1,404.7</b>	<b>-343.1</b>	<b>-9,589.9</b>
Market valuation of securities			-1,606.0		
Cash flow hedge				162.7	
Actuarial gains and losses					328.3
Other comprehensive income	0.0	0.0	-1,606.0	162.7	328.3
Net profit for the period					
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>-1,606.0</b>	<b>162.7</b>	<b>328.3</b>
Dividend					
<b>Balance on 31.12.2011</b>	<b>152,670.0</b>	<b>117,657.3</b>	<b>-201.3</b>	<b>-180.4</b>	<b>-9,261.6</b>
<b>Balance on 1.1.2012</b>	<b>152,670.0</b>	<b>117,657.3</b>	<b>-201.3</b>	<b>-180.4</b>	<b>-9,261.6</b>
Market valuation of securities			131.7		
Total Assets				180.4	
Actuarial gains and losses					-11,484.9
Other comprehensive income	0.0	0.0	131.7	180.4	-11,484.9
Net profit for the period					
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>131.7</b>	<b>180.4</b>	<b>-11,484.9</b>
Dividend					
<b>Balance on 31.12.2012</b>	<b>152,670.0</b>	<b>117,657.3</b>	<b>-69.6</b>	<b>0.0</b>	<b>-20,746.5</b>

## holders of the parent

Currency translation reserve	Total other reserves	Retained earnings	Total	Non-controlling interests	Total
7,632.9	-895.5	553,294.3	822,726.1	232.8	822,958.9
	-1,606.0		-1,606.0		-1,606.0
	162.7		162.7		162.7
	328.3		328.3		328.3
0.0	-1,115.0	0.0	-1,115.0	0.0	-1,115.0
		31,602.4	31,602.4	-22.4	31,580.0
0.0	-1,115.0	31,602.4	30,487.4	-22.4	30,465.0
		-42,000.0	-42,000.0		-42,000.0
7,632.9	-2,010.5	542,896.7	811,213.5	210.4	811,423.9
7,632.9	-2,010.5	542,896.7	811,213.5	210.4	811,423.9
	131.7		131.7		131.7
	180.4		180.4		180.4
	-11,484.9		-11,484.9		-11,484.9
0.0	-11,172.8	0.0	-11,172.8	0.0	-11,172.8
		71,889.8	71,889.8	437.5	72,327.3
0.0	-11,172.8	71,889.8	60,717.0	437.5	61,154.5
		-21,000.0	-21,000.0		-21,000.0
7,632.9	-13,183.3	593,786.5	850,930.5	647.9	851,578.4

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# Notes to the Consolidated Financial Statements for the 2012 Financial Year

## General Information and Methods

### › Information on the company

Flughafen Wien Aktiengesellschaft (AG), the parent company of the group, and its subsidiaries are service companies that are active in the construction and operation of civil airports and related facilities. As a civil airport operator, the company manages Vienna Airport. The company's headquarters are located in Schwechat, Austria. The address is: Flughafen Wien AG, P.O. Box 1, A-1300 Wien-Flughafen. Flughafen Wien AG is listed in the company register of the provincial and commercial court of Korneuburg under number FN 42984 m.

### › Operating permits

The major operating permits held by Flughafen Wien AG are as follows:

In accordance with § 7 of the Austrian Air Transportation Act dated 21 August 1936, the Federal Ministry for Transportation and State-Owned Entities issued a permit to Flughafen Wien Betriebsgesellschaft m.b.H. on 27 March 1955 for the creation and operation of Vienna Airport to serve general traffic purposes.

In accordance with § 78 (2) of the Austrian Air Transportation Act (Federal Gazette BGBl. Nr. 253/1957), the Federal Ministry for Transportation issued an operating permit for instrument runway 16/34, including taxiways and lighting systems, on 15 September 1977.

Vienna Airport was certified by the Federal Ministry for Transportation, Innovation and Technology in 2010. The certification document was issued on 31 December 2010. This document confirms that the facilities used by Flughafen Wien AG to ensure safe and smooth operations comply with the applicable Austrian regulations. This certification is valid up to 31 December 2015 and/or as long as the respective requirements are met. The next certification is scheduled for 2015.

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## › Basis of preparation

The consolidated financial statements of Flughafen Wien AG as of 31 December 2012 were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), as well as the additional disclosures required for the notes by § 245a of the Austrian Commercial Code.

The financial year represents the calendar year. The structure of the balance sheet distinguishes between non-current and current assets and liabilities, which are in part classified by term in the notes. The income statement is prepared in accordance with the nature of expense method under which "total costs" are shown.

The consolidated financial statements are generally prepared at historical acquisition and production cost. In contrast to this procedure, derivative financial instruments and available-for-sale financial assets are stated at fair value. Plan assets that are deducted from the present value of pension obligations are also carried at fair value.

The financial statements of Flughafen Wien AG and its subsidiaries are consolidated on the basis of uniform accounting and valuation principles. The financial statements of all subsidiaries included in the consolidation are prepared as of the balance sheet date for the consolidated financial statements.

The consolidated financial statements are prepared in euros. In order to provide a better overview, amounts are generally shown in thousand euros (T€). These rounded figures also include exact amounts that are not shown, and rounding differences can therefore occur. The same applies to other information such as the number of employees, traffic data etc.

## › Application of new and revised standards and interpretations

The Group applied all new or revised standards and interpretations that were issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) of the IASB and adopted by the EU, if these standards and interpretations were relevant for the business activities of the Group and required mandatory application during the reporting year. In particular, the following announcement by the IASB was applied for the first time in 2012:

<ul style="list-style-type: none"> <li>▪ Amendment to IFRS 7 concerning the transfer of financial assets</li> </ul>	Applicable to financial years beginning on or after 1 July 2011
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The amendments to IFRS 7 "Transfer of financial assets" expand the disclosure requirements for transactions that involve the transfer of financial assets. These changes are intended to increase the transparency over the risk connected with cases in which financial assets are transferred, but the transferring party retains a certain degree of risk from the financial asset. The amendment of this standard did not require any adjustments by the Flughafen Wien Group in 2012.

The application of the other new or amended standards and interpretations had no effect on the asset, financial or earnings position, financial performance or cash flows of the Flughafen Wien Group.

The following standards and interpretations had been announced by 31 December 2012, but did not require mandatory application during the reporting year:

<ul style="list-style-type: none"> <li>■ Amendment to IFRS 1 concerning fixed transition dates and hyperinflation</li> </ul>	Applicable to financial years beginning on or after 1 July 2011; not adopted by the EU into European law as of the balance sheet date
<ul style="list-style-type: none"> <li>■ Amendments to IFRS 7 concerning the net presentation of financial assets and financial liabilities</li> </ul>	Applicable to financial years beginning on or after 1 January 2013
<ul style="list-style-type: none"> <li>■ IFRS 9 "Financial Instruments"</li> </ul>	Applicable to financial years beginning on or after 1 January 2015; not adopted by the EU into European law as of the balance sheet date
<ul style="list-style-type: none"> <li>■ IFRS 10 "Consolidated Financial Statements"</li> </ul>	Applicable to financial years beginning on or after 1 January 2014
<ul style="list-style-type: none"> <li>■ IFRS 11 "Joint Arrangements"</li> </ul>	Applicable to financial years beginning on or after 1 January 2014
<ul style="list-style-type: none"> <li>■ IFRS 12 "Disclosure of Interests in Other Entities"</li> </ul>	Applicable to financial years beginning on or after 1 January 2014
<ul style="list-style-type: none"> <li>■ IFRS 13 "Fair Value Measurement"</li> </ul>	Applicable to financial years beginning on or after 1 January 2013
<ul style="list-style-type: none"> <li>■ Amendments to IAS 1 concerning the presentation of individual components of other comprehensive income</li> </ul>	Applicable to financial years beginning on or after 1 July 2012
<ul style="list-style-type: none"> <li>■ Amendments to IAS 12 concerning deferred taxes: recovery of underlying assets</li> </ul>	Applicable to financial years beginning on or after 1 January 2013
<ul style="list-style-type: none"> <li>■ Amendments to IAS 19 "Employee Benefits"</li> </ul>	Applicable to financial years beginning on or after 1 January 2013
<ul style="list-style-type: none"> <li>■ New version of IAS 27 "Separate Financial Statements"</li> </ul>	Applicable to financial years beginning on or after 1 January 2014
<ul style="list-style-type: none"> <li>■ New version of IAS 28 "Investments in Associates and Joint Ventures"</li> </ul>	Applicable to financial years beginning on or after 1 January 2014
<ul style="list-style-type: none"> <li>■ Amendments to IAS 32 concerning the net presentation of financial assets and financial liabilities</li> </ul>	Applicable to financial years beginning on or after 1 January 2014
<ul style="list-style-type: none"> <li>■ IFRIC 20 "Stripping Costs in the Production Phase of a Surface Mine"</li> </ul>	Applicable to financial years beginning on or after 1 January 2013
<ul style="list-style-type: none"> <li>■ Improvement of individual IFRSs (Improvement Project 2009-2011) from May 2012</li> </ul>	Applicable to financial years beginning on or after 1 January 2013; not adopted by the EU into European law as of the balance sheet date

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<ul style="list-style-type: none"> <li>■ Amendments to IFRS 10, IFRS 11 and IFRS 12 "Transitional provisions" from June 2012</li> </ul>	Applicable to financial years beginning on or after 1 January 2013; not adopted by the EU into European law as of the balance sheet date
<ul style="list-style-type: none"> <li>■ Amendments to IFRS 10, IFRS 12 and IAS 27 "Investment Entities" from October 2012</li> </ul>	Applicable to financial years beginning on or after 1 January 2014; not adopted by the EU into European law as of the balance sheet date
<ul style="list-style-type: none"> <li>■ Amendments to IFRS 1 concerning Government loans</li> </ul>	Applicable to financial years beginning on or after 1 January 2013; not adopted by the EU into European law as of the balance sheet date

There are no plans for the voluntary premature application of the above-mentioned standards and interpretations. The changes to IAS 19 will have no effect on the financial statements for the 2013 financial year. The company is currently evaluating the changes to IFRS 10, 11, 12 and IAS 27, 28. No effects are expected from the other changes to standards and interpretations.

### › Consolidation range

The consolidated financial statements include all subsidiaries, joint ventures and associated companies of Flughafen Wien AG, with the exception of four subsidiaries (2011: six). Subsidiaries are companies under the direct or indirect control of the Flughafen Wien Group.

These four subsidiaries were not included in the consolidated financial statements for 2012 or 2011 because their economic significance and influence on the asset, financial and earnings position of the Group are immaterial. The combined consolidated revenues of these companies equalled less than 2.0% of Group revenue for the reporting year (2011: less than 2.0%). The internal materiality thresholds were defined to ensure that only individual immaterial subsidiaries are not included in the consolidation.

Control is considered to exist when the parent company is directly or indirectly able to govern the financial and operating policies of an entity. The existence and effects of potential voting rights that can be exercised or converted at the present time are included in determining whether control exists. A subsidiary is initially consolidated when control begins and deconsolidated when control ends.

Joint ventures are companies in which control is exercised together with other entities. Associated companies are entities over which Flughafen Wien AG can exercise significant influence but do not qualify for classification as a subsidiary or joint venture. Associated companies and joint ventures are included in the consolidated financial statements using the equity method.

The 2012 consolidated financial statements include Flughafen Wien AG as well as 14 (2011: 14) and 7 (2011: 7) subsidiaries that are controlled by Flughafen Wien AG. In addition, 3 domestic companies (2011: 4) and 4 foreign companies (2011: 4) were included at equity.

The companies included in the consolidated financial statements and the respective consolidation methods are listed in an appendix to the notes.



City Air Terminal Betriebsgesellschaft m.b.H., Malta Mediterranean Link Consortium Ltd. and Letisko Košice – Airport Košice, a.s. are included in the consolidated financial statements using the equity method, even though Flughafen Wien AG directly or indirectly controls the majority of voting rights. These companies are considered to be under joint control because key decisions on corporate policies are made in cooperation with the co-shareholders.

### › Changes in the consolidation range during 2012

There were no initial consolidations or deconsolidations in 2012.

### › Changes in the consolidation range during 2011

Deconsolidation	As of	Type of consolidation	Share of capital	Description
Austroport Boden- und Flugzeugabfertigungsges.m.b.H	30.9.2011	At equity	25%	Sale

The 25% stake in Austroport Boden- und Flugzeugabfertigungsges.m.b.H, which was consolidated at equity, was sold to Airport Jet Set Service GmbH through a sale contract dated 20 September 2011. The sale of this investment did not have a material effect on the asset or earnings position of the Flughafen Wien Group.

There were no initial consolidations in 2011.

## Significant accounting policies

### › Consolidation principles

In accordance with IFRS, acquired subsidiaries are accounted for using the acquisition method. The cost of the acquisition represents the fair value of the surrendered assets and issued equity instruments as well as any liabilities arising or assumed as of the transaction date. The acquisition cost also includes the fair value of recognised assets or liabilities resulting from a contingent consideration agreement. Acquisition-related costs are recognised as expenses. In connection with the initial consolidation, the identifiable assets, liabilities and contingent liabilities resulting from the business combination are measured at fair value as of the acquisition date.

As of the date of each business combination, the group decides whether to recognise non-controlling interests in the acquired company – which represent equity interests and give their owners a claim to a proportionate share of the acquiree's net assets in the event of liquidation – at fair value or based on the proportionate share of the acquiree's identifiable net assets. All other components of the non-controlling interests are recognised at the applicable acquisition-date fair value.

Goodwill represents the excess of the fair value of return compensation, the fair value of any non-controlling interest in the acquired company and the fair value of any previously held equity interests as of the acquisition date over Group's share of net assets measured at fair value. If an acquisition takes place below market value – i.e. the acquisition cost is lower than the net assets of the acquired company measured at fair value – this negative amount is again reviewed and subsequently recognised to profit or loss.

Non-controlling interests are reported separately on the consolidated balance sheet under equity.

All intercompany balances, business transactions, income and expenses are eliminated. Any gains or losses resulting from intercompany transactions that are included in the carrying amount of assets such as inventories or property, plant and equipment are also eliminated.

The accounting and valuation methods used by the subsidiaries were changed, where necessary, to ensure the application of uniform policies throughout the Group.

Changes in the investment that do not lead to a loss of control over the subsidiary are accounted for as transactions with shareholders of the parent company. If the acquisition of a non-controlling interest results in a difference between the return compensation and the respective share of the carrying amount of the net assets in the subsidiary, this difference is recognised directly in equity. Gains or losses on the sale of non-controlling interests are also recognised directly in equity.

Investments in associated companies and joint ventures that are included in the consolidated financial statements using the equity method are recognised at cost as of the acquisition date. This carrying amount is subsequently increased or decreased by the share of profit or loss attributable to the Flughafen Wien Group and by any distributions, capital contributions or capital withdrawals. Goodwill related to an associated company or joint venture is included in the carrying amount of the investment and is not amortised on a scheduled basis. In the periods following the initial recognition of a business combination, any realised differences between the carrying amount and the fair value of assets and liabilities are adjusted, amortised or reversed in accordance with the treat-

ment of the corresponding items. If the application of IAS 39 indicates that an investment could be impaired, the full carrying amount is tested for impairment. The 10.1% stake directly held in MIA is classified as an associate because – together with the shares held through MMLC – significant influence can be exercised over the company's business and financial policies.

### › Foreign currency translation

The reporting currency and functional currency of all Group companies is the euro.

Foreign currency transactions in the individual company financial statements are translated into the functional currency at the exchange rate in effect on the date of the business deal. Monetary items in foreign currencies are translated at the exchange rate in effect on the balance sheet date. Differences arising from foreign currency translation are basically recognised to profit or loss as a net amount.

### › Intangible assets

Intangible assets with a finite useful life are recognised at cost and amortised on a straight-line basis over a useful life of four to twenty years. If there are signs of impairment and the recoverable amount – which is the higher of fair value less costs to sell and the value in use of the asset – is less than the carrying amount, an impairment loss is recognised.

Internally generated intangible assets are recognised at production cost when the relevant criteria are met and amortised over their expected useful life. The useful life of these assets equals eight years.

Intangible assets with indefinite useful lives are valued at cost. These assets are not amortised on a systematic basis, but are tested for impairment each year and reduced to the recoverable amount if necessary. If the reasons for a previously recognised impairment loss cease to exist, the carrying amount of the relevant asset is increased accordingly; this procedure is not applied to goodwill.

Goodwill is not amortised on a systematic basis; but is tested for impairment by evaluating the recoverable amount of the cash-generating unit (CGU) to which it was allocated ("impairment only approach"). Cash-generating units are created by combining assets at the lowest level that generate independent cash flows or form the basis of monitoring by management. An impairment test must be carried out each year and also when there are signs that the cash-generating unit may be impaired. If the carrying amount of a cash-generating unit exceeds its recoverable amount, the relevant goodwill must be written down by the difference. Impairment losses recognised to goodwill may never be reversed. If the impairment of a cash-generating unit exceeds the carrying amount of allocated goodwill, the remaining impairment loss is recognised through a proportional reduction in the carrying amounts of the assets belonging to the cash-generating unit.

The recoverable amount of a cash-generating unit is generally determined by calculating the value in use according to the discounted cash flow (DCF) method. These DCF calculations are based on financial plans covering several years, which were approved by management and are also used for internal reporting. The designated planning periods reflect the assumptions for market developments over the short- to mid-term. Cash >

flows after the detailed planning period are computed using the expected long-term growth rates. The risk-adjusted cost of capital represents the weighted average cost of capital for equity and debt (WACC).

**› Property, plant and equipment**

Property, plant and equipment are carried at acquisition or production cost, which is reduced by straight-line depreciation. The production cost for internally generated assets comprises direct costs and an appropriate share of material and production overheads as well as production-based administrative expenses. Acquisition and production cost includes the purchase price as well as any direct costs that are required to bring the asset to the intended location and operating condition. Borrowing costs that are directly related to the acquisition, construction or production of qualified assets are capitalised as part of acquisition or production cost. In cases where major components of property, plant or equipment must be replaced at regular intervals, the Group recognises these components as separate assets with a specific useful life and depreciates them accordingly. The cost of major inspections is recognised in the carrying amount of the item of property, plant and equipment if the recognition criteria are met. All other maintenance and service costs are expensed as incurred. The depreciation period reflects the expected useful life.

The depreciation period is determined on the basis of the presumed economic useful life, whereby scheduled depreciation is based on the following useful lives:

	Years
Operational buildings	33.3
Components of Check-in 3:	
Building shell	50
Facade	25
Interior furnishings	20
Technical equipment	25
Other buildings	10 – 50
Take-off and landing runways, taxiways, aprons	20
Technical noise protection	20
Other facilities	7 – 20
Technical equipment and machinery	5 – 20
Motor vehicles	2 – 10
Other equipment, furniture, fixtures and office equipment	2 – 15

The measures for technical noise protection were identified as an independent component of property, plant and equipment for the first time in 2012. This reflects general developments through the increasing focus by airports on noise protection programmes.

## › Impairment of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment that show signs of impairment are tested by comparing the respective carrying amount with the recoverable amount. If it is not possible to associate the asset with future cash flows that are independent of other assets, the impairment test is performed on the next higher group of assets (cash-generating unit). If the recoverable amount is less than the carrying amount, an impairment loss is recognised to reduce the asset or cash-generating unit to this lower amount. In cases where the reasons for previously recognised impairment losses cease to exist, the impairment loss is accordingly reversed.

The recoverable amount of a cash-generating unit (CGU) generally represents the higher of the value in use or the net selling price. The value in use is calculated according to the discounted cash flow (DCF) method, which involves the preparation of cash flow forecasts for the expected useful life of the asset or cash-generating unit. The discount rate used for the calculation reflects the risk associated with the asset or cash-generating unit.

The individual assets of the Flughafen Wien Group are aggregated together with other assets until a group is identified that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. This type of group is designated as a cash-generating unit (CGU). The Flughafen Wien Group follows the concept of mutual (complementary) production or technical service relationships or legal dependence between individual assets to assess the independence of cash inflows.

Impairment charges were recognised to the following cash-generating units (CGU) of the Flughafen Wien Group in 2012:

- › **CGU Real Estate Cargo:** The cash-generating unit Real Estate Cargo covers the rental and management of cargo buildings at Vienna Airport.
- › **CGU Real Estate Office** The cash-generating unit Real Estate Office involves the rental and management of office buildings at Vienna Airport.
- › **CGU Aviation:** The cash-generating unit Aviation covers all activities involved in the aviation process Aviation (passenger handling, security, aircraft take-off and landing).

The definition of the CGUs Real Estate Cargo, Real Estate Office and Real Estate Parking was changed in 2012 to better reflect the mutual dependence of the cash flows from the involved assets. This led to the aggregation of several assets (objects) in a single CGU.

## › Investment property

Investment property comprises all property that is held to generate rental income and/or for capital appreciation, and is not used for production or administrative purposes. It also includes land held for a future use that cannot be determined at the present time. If the property is used in part for business operations, the relevant share is allocated to this category of use. Investment property is carried at depreciated cost. Borrowing costs are capitalised as part of acquisition or production cost. Depreciation is calculated over a period of 33.3 to 50 years based on the straight line method. The fair value of investment property is determined independent of measurement based on the amortised purchase >

or production cost. If prices on an active market are not available, fair value is not supported by market evidence but is determined internally by applying the capitalised income method as of the balance sheet date.

### › Leasing

A lease is an agreement under which a lessor conveys the right to use an asset for an agreed period of time to a lessee in exchange for a payment. The Flughafen Wien Group serves as both a lessor and lessee.

A lease that transfers the major opportunities and risks connected with the ownership of the leased asset to the lessee is classified as a finance lease in accordance with IAS 17. All other leases are classified as operating leases.

If economic ownership is attributable to the Flughafen Wien Group as the lessee (finance lease), the leased asset is recognised as a non-current asset at the present value of future minimum lease payments or at fair value (if this value is lower). The asset is subsequently depreciated over the economic useful life or over the term of the lease if this period is shorter. Any impairment losses are charged to the carrying amount of the leased asset. The future payment obligations resulting from finance leases are recorded under other financial liabilities.

If the economic ownership of the leased asset remains with the lessor, the lease payments are distributed over the term of the lease on a straight-line basis and recorded under other operating expenses (operating lease). In cases where the Flughafen Wien Group acts as the lessor, the leased assets are capitalised at acquisition or production cost and depreciated accordingly. Income from operating leases is recognised on a straight-line basis over the lease term.

### › Inventories

Inventories are stated at the lower of cost and net selling value, whereby the determination of cost is based on the moving average price method. Net selling value represents the estimated proceeds on sale in a normal business transaction less the estimated costs of completion and estimated selling expenses. Net selling value also includes any impairment that could result from reduced usability.

### › Provisions for severance compensation, pensions, semiretirement programmes for older employees and service anniversary bonuses

The provisions for severance compensation, pensions, semiretirement programmes for older employees and service anniversary bonuses are accounted for as obligations resulting from defined benefit plans, whereby the calculations are based on actuarial principles and the projected unit credit method. The recognised liabilities represent the defined benefit obligation. For the severance compensation and pension provisions, actuarial gains and losses arising from adjustments to reflect past history or changes in actuarial assumptions are recognised to other comprehensive income; the comparable changes in service anniversary bonuses and semiretirement programmes are expensed as incurred. All other changes, such as service cost or interest expense, are reported under personnel expenses.

The determination of the present value of future claims incorporates future wage and salary increases as well as a discount for employee turnover that is based on the length of service with the company. The discount rate is based on the yields in effect as of the respective balance sheet date.

The retirement age represents the first possible date for early retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. The retirement age for female employees reflects a gradual increase in the retirement age for women in keeping with Austrian law.

The F.W. Pagler AVÖ 2008-P life expectancy tables (mixed stand) form the biometric basis for the calculation of the provisions, for the pension provision in the specification for salaried employees.

The obligations for severance compensation, pensions, semiretirement programmes for older employees and service anniversary bonuses were calculated on the basis of the following parameters:

	2012	2011
Discount rate (pensions, severance comp., service anniv. bonuses)	3.15%	4.50 %
Discount rate (semiretirement programmes)	1.00%	4.50 %
Wage and salary increases	3.69%	3.72 %
Pension increases (only for pensions)	2.10%	2.01 %
Discount for employee turnover (graduated)	0.00 %-12.00 %	0.00 %-12.00 %

Payments required by defined contribution plans (contributions to pension plans and legally required employee severance compensation funds) are recognised to profit or loss in the appropriate period, and shown under personnel expenses.

### › Other provisions

Other provisions include legal or constructive obligations to third parties, which are based on past transactions or events and are expected to lead to an outflow or resources that can be reliably estimated. These provisions reflect all recognisable risks related to the assumed settlement amount and are based on the best possible estimate. A provision is not created if it is not possible to reliably estimate the amount of the obligation. Provisions are discounted if the resulting effect is material. Expenses resulting from the discounting of provisions are included with the costs of the respective provisions, with the exception of the provisions for severance compensation, pensions, service anniversary bonuses and semiretirement programmes.

### › Government grants

Government grants are recognised at fair value when it is reasonably certain that the Group will meet the relevant conditions attached to the grants and it is reasonably certain the grants will actually be received.

Government grants for costs are recognised as income over the periods required to match them with the costs they are intended to compensate.

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Government grants for the purchase of property, plant and equipment (“investment subsidies”) are recorded under current or non-current liabilities and recognised as income on a straight-line basis over the useful life of the related asset. The special investment allowances granted by the Republic of Austria are treated as investment subsidies.

## › Financial instruments

A financial instrument is a contract that simultaneously creates a financial asset in one entity and a financial liability or equity instrument in another entity. In particular, financial assets include financial investments such as non-consolidated and other holdings, securities, trade receivables, credits granted and other receivables, non-derivative and derivative financial assets held for trading, and cash and cash equivalents. Financial liabilities generally represent an obligation to deliver cash or other financial assets to a creditor, and consist above all of amounts due to credit institutions, trade payables and derivative financial liabilities. The initial recognition and derecognition of financial instruments generally takes place as of the settlement date, which is the day on which the asset is delivered to or by the Group. Financial assets and financial liabilities are normally not offset for presentation, except in cases where there is a legally enforceable right to offset the amounts and settlement will take place on a net basis.

Financial assets are initially recognised at fair value. The fair values shown on the balance sheet generally represent the market prices of the financial assets. In cases where market prices are not readily available, fair value is determined using accepted valuation models and current market parameters. For this calculation, the cash flows previously fixed or determined by way of forward rates based on the current yield curve are discounted as of the measurement date using the discount factors calculated from the yield curve applicable to the reporting date.

The Flughafen Wien Group has not elected to use the option that permits, under certain conditions, the designation of financial assets and financial liabilities upon initial recognition as financial assets or financial liabilities at fair value through profit or loss (fair value option).

## › Non-derivative financial assets (securities)

Securitized receivables for which there is no active market are assigned to the category of “loans and receivables” and carried at amortised cost. Non-interest bearing financial assets and low-interest financial assets are recognised at fair value on the date of purchase. Any material difference between cost and the repayment amount is accrued over the term of the loan in accordance with the effective interest rate method and reported under financial results. In the event of impairment, the carrying amount of the financial asset is reduced to the present value of the expected repayments with recognition through profit or loss. If the reasons for previously recognised impairment losses cease to exist, the impairment loss is appropriately reversed.

Investments in securities classified as “financial assets held for trading” are measured at fair value if this figure can be reliably determined. Any gains and losses resulting from subsequent measurement are recognised to profit or loss in the period incurred.

Shares in non-consolidated subsidiaries and other securities as well as associated companies and other investments that are not recorded at equity are classified as “available-



for-sale financial assets" and generally measured at fair value if this figure can be reliably determined.

If the fair value of non-listed equity instruments cannot be reliably determined, the shares are carried at cost after the deduction of any necessary impairment losses.

Gains and losses resulting from changes in fair value are basically recognised under other comprehensive income (available-for-sale reserve) after the deduction of deferred taxes. Impairment losses that reflect a lasting and significant decline in fair value are recognised to profit or loss and removed from the fair value reserve. If circumstances at a later measurement date indicate that fair value has increased as a result of events which occurred after the recognition of the impairment loss, a corresponding reversal of the impairment loss is generally recognised to profit or loss. Impairment losses recognised to profit or loss for available-for-sale equity instruments may only be reversed without recognition to profit or loss. Impairment losses to equity instruments that are measured at cost may neither be reversed to profit or loss nor recognised directly in equity.

Any accumulated gains and losses recognised to equity on the measurement of financial assets at fair value are transferred to the income statement when the relevant asset expires or is sold.

Purchases and sales are recognised as of the settlement date.

### › Receivables

Trade receivables and other current receivables are measured at the initially recognised value less impairment losses. Individual valuation allowances are recorded to reflect the expected credit risk. The conclusion of bankruptcy proceedings leads to derecognition of the involved receivables, whereby previously recognised valuation adjustments are used when a receivable is derecognised. The creation of individual valuation allowances also involves the aggregation of potentially impaired receivables based on similar credit risk characteristics and the subsequent recognition of valuation allowances in accordance with past experience. Impairment losses on trade receivables are recorded to separate allowance accounts. Other non-current receivables are measured at amortised cost and, if material, payment at a later date is reflected through discounting.

### › Cash and cash equivalents

Cash and cash equivalents, which include bank accounts and short-term deposits with credit institutions, have a remaining term of up to three months at the date of acquisition. These items are measured at fair value, which generally reflects the nominal value.

### › Liabilities

Financial liabilities are recognised at an amount equal to the actual funds received, which generally reflects fair value. Any material difference between the amount received and the repayment amount is distributed over the term of the liability according to the effective interest rate method, and reported under financial results. Trade payables and other liabilities are carried at amortised cost.

### › Derivative financial assets and liabilities

The Flughafen Wien Group uses selected derivative financial instruments (interest rate swaps) to hedge the potential effect of interest rate fluctuations on investments and financing transactions. Derivative financial instruments are recognised at fair value (which generally represents cost) as of the contract date. Subsequent measurement is also based on fair value, which represents the market price for traded derivatives. Instruments that are not quoted on an exchange are valued on the basis of comparable transactions or settlement offers by the relevant business partners. For interest rate swaps, fair value reflects the amount the Group would receive or be required to pay on the settlement date. This amount is calculated using the interest rates and interest rate structure curves that are relevant for the settlement date. Changes in fair value are generally recognised through profit or loss, unless the derivative financial instrument is qualified as an effective hedge in accordance with IAS 39.

Positive fair values are recorded under receivables and other assets, while negative fair values are recorded under other liabilities.

The Group applies the requirements for hedge accounting as defined in IAS 39 ("Hedge Accounting") to instruments that are concluded to hedge future cash flows. This reduces the volatility of the income statement. Cash flow hedges are used as protection against fluctuations in the cash flows generated by recognised assets and liabilities or highly probable planned transactions. If an instrument is classified as a cash flow hedge, the effective portion of the change in the value of the hedge is recorded under other comprehensive income (hedging reserve) until the results of the underlying transaction are recognised; the ineffective portion of the change in the value of the hedge is recognised to profit or loss.

### › Income taxes

Income taxes include the taxes due and payable on taxable income as well as deferred taxes. The provisions for taxation generally comprise domestic and foreign income tax obligations, and cover the reporting year as well as any obligations from previous years. The liabilities are calculated in accordance with the tax regulations of the countries where the Group conducts its business activities.

Flughafen Wien AG is the group parent under the definition provided by § 9 (8) of the Austrian Corporate Income Tax Act of 1988. In this function, the group parent apportions and charges the applicable share of taxes to the member companies of the group; if a group company generates a loss, the relevant credit is only made when this company again records taxable profit. This settlement of tax charges leads to a reduction in the tax expense shown on the income statement of the group parent. If there are any subsequent variances, the tax settlements with group companies are adjusted accordingly.

In accordance with the liability approach, deferred tax assets and deferred tax liabilities are recognised on temporary differences between the carrying amounts on the consolidated balance sheet and the balance sheet prepared for tax purposes as well as on tax loss carryforwards. Deferred tax assets are recognised when it is probable that sufficient taxable profit will be available to utilise a deductible temporary difference.

Deferred taxes are only recognised on temporary differences arising from shares in subsidiaries and companies recorded at equity if there is an intention to sell the investment and the gain on sale will be taxable. Deferred taxes are valued in accordance with

the tax regulations that are valid or were enacted as of the balance sheet date for the financial statements. Therefore, the tax rates expected in the future are applied to the reversal of temporary differences.

### › Realisation of income

Revenue and other operating income is realised when services are provided or the risks and opportunities associated with these services have been transferred to the buyer, under the assumption that a probable economic benefit will flow and this benefit can be reliably estimated.

Flughafen Wien levies charges for the use of airport infrastructure in the form of landing, parking, passenger and infrastructure fees. These fees are subject to the approval of the Austrian civil aviation authority. Flughafen Wien also charges various types of ground handling fees that are not subject to the approval of public authorities, e.g. for apron, cargo and traffic handling.

In addition, the Flughafen Wien Group realises revenue from the rental of parking space and other areas (which is based on fixed or variable (revenue-related) fees) as well as revenue from energy supply and waste disposal and security services. Rental income is recognised as revenue on a straight-line basis over the term of the respective rental agreement. Rental incentives granted to tenants are accounted for as a component of the total rental income over the term of the rental agreement. Variable rents are accrued in line with the related revenue. Rental income from other real estate is recorded under miscellaneous income.

### › Income from investments

This position includes the share of profit or loss from companies valued at equity as well as impairment charges, write-ups, sale proceeds and dividends. Dividends are recognised when the relevant resolution for distribution has been passed.

### › Discretionary judgment and estimation uncertainty

The presentation of the Group's asset, financial and earnings position in the consolidated financial statements requires discretionary judgment concerning the measurement and valuation methods applied as well as the assumptions and estimates made by management. Actual results may differ from these estimates. The following key estimates and related assumptions as well as the uncertainties connected with the accounting and valuation methods applied by the Group are decisive for an understanding of the underlying risks of financial reporting and the possible effects on the consolidated financial statements in future financial years.

Accounting for business combinations involves estimates to determine the fair value of acquired assets, liabilities and contingent liabilities. Real estate is measured on the basis of appraisals by experts. Identifiable intangible assets are measured in accordance with appropriate valuation methods that reflect the type of asset and the availability of information. The use of a market approach for the valuation of intangible assets is generally not possible due to a lack of comparable market prices, and an income approach is therefore used. Customer relationships are measured in accordance with the multi-peri- >

od excess earnings method, which determines the present value of income from the existing customer base. Under the assumption that an intangible asset will only generate cash flows in connection with other tangible and intangible assets, the determination of the relevant cash surpluses also includes operating expenses and calculatory usage fees (contributory asset charges) for these "supporting" assets. This valuation incorporates a decline in the planned income stream over time based on an appropriate churn rate for customers.

The impairment testing of intangible assets (carrying amount: T€ 16,122.8, 2011: T€ 10,891.2) and goodwill (carrying amount: T€ 54.2, 2011: T€ 4,394.4), property, plant and equipment (carrying amount: T€ 1,677,534.4, 2011: T€ 1,692,541.2) and investment property (carrying amount: T€ 118,863.6, 2011: T€ 119,935.4) as well as financial assets (carrying amount: T€ 99,138.3, 2011: T€ 97,482.6) including investments in companies accounted for at equity (carrying amount: T€ 94,718.9, 2011: T€ 90,968.2) involves estimates for the cause, timing and amount of impairment/revaluation. Impairment/revaluation can be caused by a number of factors, such as changes in the current competitive situation, expectations for the development of passenger volume, increases in the cost of capital, changes in the future availability of financing, technological obsolescence, the termination of services, current replacement costs, the purchase prices paid for comparable transactions or other changes in the operating environment. The recoverable amount generally represents the higher of the value in use or the net selling price. The value in use is determined in accordance with the discounted cash flow method, which also incorporates assumptions by management for future cash flows, risk-adjusted discount rates and appropriate useful lives. For this reason, the calculation of the present value of expected future cash flows and the classification of an asset as impaired depend on management's judgment and evaluation of future development opportunities.

The determination of the acquisition and production cost of property, plant and equipment is connected with uncertainty because of the on-going construction activity and related examination requirements. This uncertainty is connected, above all, with recently concluded or on-going projects (construction in progress). In 2011 the acquisition and production cost of Check-in 3 was reduced through an impairment charge (for additional information, see note 6, Amortisation and depreciation).

The Flughafen Wien Group created valuation allowances of T€ 8,115.0 (2011: T€ 4,890.2) for doubtful trade receivables (above all for the Sardana Group) to reflect expected losses arising from the unwillingness or inability of customers to meet their payment obligations. Management evaluates the appropriateness of these valuation allowances based on the term structure of receivable balances and past experience with the derecognition of receivables, also considering the credit standing of customers and changes in payment conditions. If the financial position of customers deteriorates, actual write-offs could exceed the scope of the expected derecognition.

The valuation of provisions for severance compensation, pensions and service anniversary bonuses with a combined carrying amount of T€ 105,247.9 (2011: T€ 87,900.4) and for semiretirement programmes with a carrying amount of T€ 19,487.0 (2011: T€ 20,054.6) is based on assumptions for the discount rate, retirement age and life expectancy as well as future increases in wages, salaries and pensions.

The provisions for pending legal proceedings and other outstanding claims arising from settlement, arbitration or government proceedings total T€ 5,084.7 (2011: T€ 2,616.1). The recognition and measurement of these provisions are connected to a sig-

nificant degree with estimates made by management. The evaluation of the probability that pending legal proceedings will be successful and lead to a liability as well as the quantification of the possible amount of a related payment obligation are dependent to a significant degree on an assessment of the respective situation. As a result of the uncertainties connected with this assessment, actual losses may differ from the original estimates and the amount of the provision.

Income taxes are computed for every tax jurisdiction in which the Group operates. This involves the calculation of actual expected taxes for each tax subject as well as an evaluation of the temporary differences between the carrying amounts of certain balance sheet items in the consolidated financial statements and the financial statements prepared for tax purposes. Deferred tax assets of T€ 12,802.3 (2011: T€ 10,354.6) were recognised to the extent that is probable that the Group will be able to utilise them in the future. The use of deferred tax assets is dependent on the ability to generate sufficient income in the individual tax jurisdictions. Various factors are used to evaluate the probability of the future use of deferred tax assets, which may include past earnings, operating forecasts and/or tax planning strategies. If actual earnings differ from these estimates or the estimates must be adjusted in future periods, this may have a negative effect on the asset, financial and earnings position of the group. The impairment of a deferred tax asset leads to derecognition of the relevant item through profit or loss.

A tax audit covering corporate income tax and value added tax in the Austrian companies for the years from 2004 to 2007 began in 2009. This tax audit also includes a review of 2008 and 2009 in accordance with § 144 of the Austrian Fiscal Code. The audit was still partly in progress at the time these consolidated financial statements were prepared. The potential obligations resulting from these events could not be reliably estimated as of the balance sheet date on 31 December 2012. Accordingly, future developments could lead to adjustments in subsequent accounting periods.

# Notes to the Consolidated Income Statement

## › (1) Revenue and segment reporting

Revenue includes all income generated by the ordinary business activities of the Flughafen Wien Group. Revenue is presented excluding value added tax as well as other taxes that are collected from customers and passed on to taxation authorities.

IFRS 8 calls for segment reporting that is based solely on the internal organisation and reporting structure as well as the internal measurement indicators used by the company.

In accordance with IFRS 8, operating segments represent components of a company: that engage in business activities from which they can earn revenues and incur expenses (also together with and from other segments); and whose operating results are regularly reviewed by the company's chief operating decision-makers to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

The starting point for segment reporting is formed by the operating segments that meet the quantitative thresholds defined in IFRS 8.13 and are therefore reportable. Operating segments that exhibit similar characteristics as defined in IFRS 8.12 and are also similar in other respects can be aggregated together with these reportable segments into a single operating segment.

For the Flughafen Wien Group, the segments of business that are aggregated into reporting segments for the following presentation include the business units in Flughafen Wien AG that form the basis for the company's organisation as well as various subsidiaries. The management of the Flughafen Wien Group is based on reporting that covers profit and loss, capital expenditure and employee-related data for the individual business units of Flughafen Wien AG as well as revenue, EBITDA, EBIT, net profit for the period, planned investments and employee-related data for the individual subsidiaries.

### **Airport**

The "aviation" and "airport services" business units of Flughafen Wien AG and the subsidiaries that provide such services are combined under the reporting segment "Airport". Accordingly, the activities of the Airport Segment consist primarily of the traditional services performed by an airport operator. These services include the operation and maintenance of all aircraft movement areas and the terminals as well as the equipment and facilities involved in passenger and baggage handling, including the VIP Center and Lounges. The fees for these services are for the most part subject to fee regulations. The airport services unit provides a wide range of services to support airport operations, to deal with emergencies and disruptions and to ensure security.

### **Handling**

The Handling Segment includes the "handling" business unit of Flughafen Wien AG as well as the subsidiaries that provide services in this segment. The segment supplies a variety of services for the handling of aircraft and passengers on scheduled and charter flights. It is also responsible for the handling of general aviation aircraft and passengers as well as the operation of the General Aviation Center. In addition, security controls for persons and hand luggage are performed by the Handling Segment.

## Retail & Properties

The Retail & Properties Segment covers the real estate and centre management business units of Flughafen Wien AG as well as the subsidiaries that provide services under this segment.

This segment provides various services to support airport operations, including shopping, gastronomy and parking. Activities for the development and marketing of real estate are also included here.

## Other Segments

The operating segments that are not independently reportable and cannot be aggregated with another reportable segment are combined into the reporting segment "Other Segments" in accordance with IFRS 8.16.

Included here are various services provided by individual business units of Flughafen Wien AG or other subsidiaries, e.g. technical services and repairs, energy supply and waste disposal, telecommunications and information technology, electromechanical and building services, the construction and maintenance of infrastructure facilities, construction management and consulting.

Also allocated to this segment are the subsidiaries of Flughafen Wien AG that hold shares in associated companies or joint ventures and have no other operating activities.

## Explanation of the amounts shown

The accounting principles used to develop the segment data are the same as the accounting principles applied in preparing the IFRS consolidated financial statements. The criteria used by the Flughafen Wien Group to evaluate segment performance include, among others, earnings before interest and taxes (EBIT). Depreciation is split into scheduled depreciation and impairment losses, and is derived from the assets allocated to the individual segments. The underlying prices for inter-segment revenues and services reflect market-based standard costs or rates, which are generally based on internal costs.

Other items such as the financial results or tax expense attributable to the individual operating segments are not included under segment information because internal reporting only covers these positions down to and including EBIT and this information is not monitored on a regular basis by the chief decision-maker.

Segment assets and liabilities comprise all assets and liabilities that can be allocated to the operating business. In particular, segment assets include intangible assets, property, plant and equipment, trade receivables and other receivables as well as inventories. The Flughafen Wien Group does not show segment liabilities for each reportable operating segment because these liabilities are not monitored on a regular basis by the chief decision-maker. Segment assets do not include the assets shown under "Other (not allocated)" in the reconciliation of segment assets to Group assets. The Group assets designated as not allocated consist primarily of intangible assets and property, plant and equipment used by administrative functions as well as financial assets, non-current receivables, current securities, inventories, trade receivables, receivables due from subsidiaries, receivables due from investments recorded at equity, receivables due from taxation authorities, other receivables and assets, prepaid expenses and deferred charges, and cash and cash equivalents.

Segment investments include additions to intangible assets and property, plant and equipment.

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The information provided by geographic area also includes information on the revenue generated with external customers as well as the amounts recognised for non-current assets. The allocation of assets and income to the various geographical areas is based on the location of the unit (subsidiary) that recognised the income or owns the assets.

The number of employees at the segment level is based on the average number of employees for the financial year, weighted by the scope of employment.

Companies consolidated at equity are reported under the Other Segments.

### › Segment results for 2012

in T€ (except employees)	Airport	Handling	Retail & Properties	Other Segments	Group
External segment revenue	317,753.6	153,796.0	119,501.1	16,145.1	607,195.7
Internal segment revenue	38,731.7	67,508.7	17,248.2	86,816.8	
Segment revenue	356,485.3	221,304.7	136,749.2	102,961.9	
Other external revenue <sup>1</sup>					176.0
<b>Group revenue</b>					<b>607,371.7</b>
Segment results	68,488.1	17,659.2	41,612.7	4,422.1	132,182.0
Other (not allocated)					-24,155.8
<b>Group EBIT</b>					<b>108,026.3</b>
Impairment charges	3,365.4	0.0	11,883.2	0.0	15,248.6
Scheduled depreciation and amortisation	64,882.4	5,760.5	14,189.5	13,017.1	97,849.5
Segment depreciation and amortisation	68,247.8	5,760.5	26,072.7	13,017.1	
Other (not allocated)					261.6
<b>Group depreciation and amortisation</b>					<b>113,359.7</b>
Segment investments	72,887.3	8,439.4	12,736.1	6,622.2	100,685.0
Other (not allocated)					506.3
<b>Group investments</b>					<b>101,191.3</b>
Segment assets	1,445,469.4	36,084.1	301,131.5	170,570.5	1,953,255.5
Thereof investments and joint ventures recorded at equity				94,718.9	
Other (not allocated)					108,547.9
<b>Group assets</b>					<b>2,061,803.4</b>
Segment employees (average)	432	3,233	57	569	4,290
Other (not allocated)					185
<b>Group employees (average)</b>					<b>4,475</b>

1) Other external revenue is related solely to the administrative area



**> Segment results for 2011**

in T€ (except employees)	Airport	Handling	Retail & Properties	Other Segments	Group
External segment revenue	294,629.2	160,495.2	110,641.4	16,110.0	581,875.9
Internal segment revenue	33,360.0	57,063.7	17,933.9	77,502.1	
Segment revenue	327,989.3	217,559.0	128,575.3	93,612.1	
Other external revenue <sup>1</sup>					120.8
<b>Group revenue</b>					<b>581,996.7</b>
Segment results	57,086.2	163.3	30,347.4	4,690.8	92,287.8
Other (not allocated)					-25,102.5
<b>Group EBIT</b>					<b>67,185.2</b>
Impairment charges	37,222.3	0.0	18,266.9	0.0	55,489.2
Scheduled depreciation and amortisation	34,845.2	6,181.4	14,484.9	10,554.1	66,065.6
Segment depreciation and amortisation	72,067.5	6,181.4	32,751.8	10,554.1	
Other (not allocated)					266.4
<b>Group depreciation and amortisation</b>					<b>121,821.3</b>
Segment investments	230,837.2	5,010.6	10,269.8	13,549.5	259,667.1
Other (not allocated)					575.2
<b>Group investments</b>					<b>260,242.4</b>
Segment assets	1,432,861.9	32,153.1	321,941.4	169,003.0	1,955,959.5
Thereof investments and joint ventures recorded at equity				90,968.2	
Other (not allocated)					194,198.9
<b>Group assets</b>					<b>2,150,158.3</b>
Segment employees (average)	415	3,285	67	600	4,367
Other (not allocated)					158
<b>Group employees (average)</b>					<b>4,525</b>

1) Other external revenue is related solely to the administrative area

### › Reconciliation of reportable segment results to Group EBIT

in T€	2012	2011
<b>Total reported segment results (EBIT)</b>	<b>132,182.0</b>	<b>92,287.8</b>
<b>Non-allocated income / expenses:</b>		
Revenue	7,492.9	6,715.2
Other operating income	2,005.5	2,157.2
Consumables	-1,146.5	-1,027.4
Personnel expenses	-16,656.9	-16,318.9
Other operating expenses	-15,589.2	-16,362.2
Depreciation and amortisation	-261.6	-266.4
<b>Total not allocated</b>	<b>24,155.8</b>	<b>-25,102.5</b>
<b>Group EBIT</b>	<b>108,026.3</b>	<b>67,185.2</b>

The non-allocated items shown in the reconciliation are related solely to the administrative area.

### › Reconciliation of segment assets to Group assets

in T€	31.12.2012	31.12.2011
<b>Assets by segment</b>		
Airport	1,445,469.4	1,432,861.9
Handling	36,084.1	32,153.1
Retail & Properties	301,131.5	321,941.4
Other Segments	170,570.5	169,003.0
<b>Total assets in reportable segments</b>	<b>1,953,255.5</b>	<b>1,955,959.5</b>
<b>Non-allocated assets</b>		
Intangible assets and property, plant and equipment used in administration	1,202.7	1,204.9
Other financial assets	3,940.1	6,045.9
Non-current receivables	93.1	86.5
Current securities	29,652.0	29,535.0
Inventories	252.4	242.5
Trade receivables	12.4	7.1
Receivables due from subsidiaries	403.5	339.0
Receivables due from investments recorded at equity	465.0	77.8
Receivables due from taxation authorities	21,398.5	35,477.5
Other receivables and assets	6,729.6	5,002.1
Prepaid expenses and deferred charges	3,959.7	4,850.7
Cash and cash equivalents	40,439.0	111,330.0
<b>Total not allocated</b>	<b>108,547.9</b>	<b>194,198.9</b>
<b>Group assets</b>	<b>2,061,803.4</b>	<b>2,150,158.3</b>

**› Disclosures for 2012 by region**

in T€	Austria	Malta	Slovakia	Group
External revenue	606,637.2	734.5	0.0	607,371.7
Non-current assets	1,824,814.9	52,721.8	34,176.5	1,911,713.2

**› Disclosures for 2011 by region**

in T€	Austria	Malta	Slovakia	Group
External revenue	581,205.4	791.3	0.0	581,996.7
Non-current assets	1,841,575.0	50,423.1	33,246.5	1,925,244.6

The assets allocated to Malta and Slovakia also include the investments in other companies owned by these fully consolidated subsidiaries. The investments in Malta Airport generated a net profit of € 4.2 million (2011: € 3.8 million) contributing to the income of investments recorded at equity, while the investment in Košice Airport generated income of € 0.9 million (2011: loss of € 13.1 million, including impairment charges). The values of the investments in the airport corporations in Malta and Slovakia are not shown here.

**Information on key customers**

The Flughafen Wien Group recorded revenue of € 222.4 million (2011: € 214.6 million) with its major customer in 2012. This revenue was generated in all segments.

**› (2) Other operating income**

in T€	2012	2011
Own work capitalised	11,108.6	14,870.5
Income from the disposal of property, plant and equipment	921.5	86.5
Income from insurance settlement	2,500.0	0.0
Income from the reversal of provisions	4,890.0	2,195.7
Income from the reversal of investment subsidies (Government grants)	278.2	617.3
Other rental income	788.6	767.4
Income from insurance	88.1	456.8
Miscellaneous	3,523.5	1,442.7
	<b>24,098.5</b>	<b>20,436.9</b>

Other operating income rose by 17.9% to € 24.1 million, above all due to income from an insurance settlement as well as invoiced penalties (included under miscellaneous) related to the delayed completion of retail space by a lessee. However, the bankruptcy of the Sardana Group led to the reduction of the latter amount through an impairment charge. The income from insurance settlements totalled € 11.1 million in 2012: € 2.5 million of this income were reported under other operating income, while the remaining € 8.6 million were recorded as a reduction of the purchase cost without recognition through profit or loss.

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### › (3) Consumables and services used

in T€	2012	2011
Consumables	19,742.8	18,330.4
Energy	20,588.4	17,414.1
Services used	2,857.8	6,312.9
	<b>43,188.9</b>	<b>42,057.3</b>

The cost of consumables and services rose by € 1.1 million to € 43.2 million, whereby the start of operations in Check-in 3 led to an increase in expenditures for energy.

### › (4) Personnel expenses

in T€	2012	2011 <sup>1</sup>
Wages	112,625.9	116,079.7
Salaries	70,786.7	74,097.8
Expenses for severance compensation	8,947.0	10,776.3
Thereof contributions to severance fund	1,659.0	1,501.3
Expenses for pensions	3,063.5	4,448.6
Thereof contributions to pension funds	2,399.7	3,728.4
Expenses for legally required duties and contributions	52,025.3	50,806.9
Other employee benefits	2,215.6	2,244.0
	<b>249,664.0</b>	<b>258,453.3</b>

1) Adjusted

The average number of employees declined 1.1% year-on-year to 4,475. The average workforce was 4.1% higher in the Airport Segment, but 1.6% lower in the Handling Segment. The Other Segments and the Retail & Properties Segment reported a decrease of 5.2% and 15.7%, respectively, in the average number of employees.

The Flughafen Wien Group had a total of 4,306 employees as of 31 December 2012 (31.12.2011: 4,500). This represents a reduction of 194 employees, or 4.3%, in comparison with the previous year.

Personnel expenses declined 3.4% to € 249.7 million as a result of the reduction in the workforce and despite wage and salary increase mandated by collective bargaining agreements. The decrease in the number of employees was reflected in a year-on-year reduction of 3.0% and 4.5% in wages and salaries to € 112.6 million and € 70.8 million, respectively. Expenses recognised for the additions to the provisions for unused vacation and service anniversary bonuses rose by € 0.6 million and € 2.5 million, respectively. The € 7.0 million reduction in the provision for semiretirement programmes for older employees during the reporting year resulted primarily from the conclusion of additional semi-retirement agreements in 2011. The expenses for severance compensation and pensions were also reduced by € 1.8 million and € 1.4 million, respectively, in 2012.

## › (5) Other operating expenses

in T€	2012	2011
Other taxes (excluding income taxes)	595.1	453.4
Maintenance	24,976.4	22,924.2
Third party services	23,626.2	18,852.5
Consulting expenses	5,473.5	7,956.5
Marketing and market communication	17,952.6	23,938.4
Postage and telecommunications	1,371.1	1,411.6
Rental and lease payments	9,971.2	9,147.4
Insurance	3,351.9	3,449.9
Travel and training	1,572.6	1,866.6
Damages	4,398.5	435.9
Impending losses	1,731.9	7,240.1
Valuation allowances to and derecognition of receivables	1,888.5	892.5
Losses on the disposal of property, plant and equipment	2,219.3	984.5
Exchange rate differences, bank charges	629.4	516.1
Miscellaneous operating expenses	17,473.1	12,846.8
	<b>117,231.4</b>	<b>112,916.5</b>

Maintenance expenses cover the regular upkeep of buildings and equipment and the maintenance of data processing equipment, runways, aprons and taxiways.

Third party services consist primarily of costs for the baggage reconciliation system and baggage-related services, fees for waste water and garbage disposal, cleaning services and temporary personnel for the subsidiary Vienna Airport Infrastruktur Maintenance GmbH.

Consulting expenses include fees paid to attorneys, notaries public, tax advisors and the auditors of the annual financial statements as well as miscellaneous consulting fees.

Impending losses comprise losses related to residual value risks arising from leases for real estate at the Vienna Airport location (also see note 26, Miscellaneous provisions).

Additions of € 5.0 million were recorded to the valuation allowances for doubtful receivables in 2012. Of this total, € 3.5 million are related to the bankruptcy of the Sardana Group, a retail shop operator at Vienna Airport. The additions were offset by reversals of € 3.2 million (including the reversal of other receivables), which resulted mainly from a positive arbitration ruling and the subsequent release of valuation allowances to other receivables.

The expenses for marketing and market communications were related chiefly to marketing measures, above all to strengthen Vienna's position as a hub, as well as traditional public relations activities.

The following services were provided by auditor of the annual financial statements during the reporting year:

in T€	2012	2011
Audit of the annual financial statements	232.2	265.6
Other auditing services	62.0	54.4
Other services	16.3	51.0
	310.6	371.0

## › (6) Depreciation, amortisation and impairment

in T€	2012	2011
<b>Amortisation of intangible assets</b>		
Scheduled amortisation	3,845.7	2,015.2
Impairment charges	4,340.2	4.9
Thereof CGU Vöslau Airfield	0.0	4.9
Thereof goodwill CGU Real Estate Office	4,340.2	0.0
	8,185.9	2,020.0

<b>Depreciation of property, plant and equipment</b>		
Scheduled depreciation	90,581.7	60,074.8
Impairment charges	3,432.5	42,329.9
Thereof CGU Aviation	3,432.5	31,624.8
Thereof CGU Real Estate Office	0.0	5,112.4
Thereof CGU Vöslau Airfield	0.0	5,592.7
	94,014.1	102,404.7

<b>Depreciation of investment property</b>		
Scheduled depreciation	3,683.7	4,242.0
Impairment charges	7,476.0	13,154.5
Thereof buildings CGU Real Estate Office	2,411.0	13,154.5
Thereof buildings CGU Real Estate Cargo	5,065.0	0.0
	11,159.7	17,396.5

<b>Total depreciation, amortisation and impairment</b>	<b>113,359.7</b>	<b>121,821.3</b>
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The impairment tests to intangible assets, property, plant and equipment and investment property involve the determination of the recoverable amount for the respective cash-generating units based on the value in use. The future cash inflows and outflows of the individual cash-generating units are determined on the basis of the latest forecasts approved by the Management Board for the period from 2013 to 2017. The weighted average cost of capital (WACC) after-tax was used as the discount rate (2012: 6.14%; 2011: 5.68%). This WACC was based on a risk-free interest rate that was derived from the yield on 15-year federal bonds and subsequently adjusted to include a premium for market risk.

Impairment testing for the **2012 financial year** led to the recognition of the following impairment charges:

#### **Impairment charges to goodwill and to the CGU Real Estate Office**

Impairment testing in 2012 led to the recognition of an impairment charge to an office building in the cash-generating unit "Real Estate Office" and to the recognition of an impairment charge to the related goodwill in this CGU.

The most important parameters for the calculation of the value in use were the discount rate (WACC) after tax and a growth rate of 1% after the detailed planning period (five years). The forecasted EBITDA are based on expectations for future results considering past experience. A new estimate for future occupancy was also included in the cash flows. The results of the impairment test indicated a need for an impairment charge of € 6.7 million, which is reflected in a reduction of € 4.3 million to the carrying amount of the allocated goodwill and a reduction of € 2.4 million in the carrying amount of a building. The impairment charges were recognised in the Retail & Properties Segment.

#### **Impairment charges to properties in the CGU Real Estate Cargo**

Impairment testing in 2012 led to the recognition of impairment charge totalling € 5.1 million to three properties in the cash-generating unit "Real Estate Cargo". These impairment charges resulted from changes in the forecast to include revised estimates for the medium-term development of the market and demand.

The most important parameters for the calculation of the value in use were the discount rate (WACC) after tax and a growth rate of 1% after the detailed planning period (five years). The forecasted EBITDA are based on expectations for future results considering past experience. The impairment charges were recognised in the Retail & Properties Segment.

#### **Impairment charges in the CGU Aviation**

Additional impairment charges totalling € 3.4 million were also recognised during the reporting year, primarily to construction containers, fixtures and office equipment and technical equipment in the Airport and Retail & Properties Segments.

Impairment testing in the **2011 financial year** led to the recognition of the following impairment charges:

#### **Check-in 3 (CGU Aviation)**

Impairment losses totalling € 31.6 million were recognised to the Check-in 3 in 2011. These charges resulted from reviews by technical experts that identified deficient performance by contractors and unjustified increases in costs. Acquisition and production costs were therefore adjusted as required by IAS 16.22, since abnormal amounts of waste, labour or other factors may not be included in the cost of self-constructed assets. This impairment was attributable to the Airport Segment.

#### **Real estate in Schwechat (CGU Real Estate Office)**

The impairment test of a property in the Retail & Properties Segment resulted in the recognition of an impairment charge of approx. € 18.3 million in 2011. This charge is based primarily on the fact that the building will not be able to reach the originally expected occupancy level over the medium-term.

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**Vöslau Airfield (CGU Vöslau Airfield)**

The investment in Vöslau Airport was tested for impairment in 2011. The results led to the recognition of an impairment loss of € 5.6 million, which was attributed to the Airport Segment.

**› (7) Income from investments recorded at equity**

in T€	2012	2011
Proportional share of results for the period	5,625.3	4,286.8
Impairment	0.0	-19,419.2
	5,625.3	-15,132.4

The cumulative total of unrecognised losses equals T€ 1,189.3 (2011: T€ 0.0). A pro rata share of losses totalling T€ 1,189.3 was not recognised in 2012 (2011: pro rata share of profit equalling T€ 40.1) because the related shares were written off in earlier accounting periods.

A summary of financial information on associated companies and joint ventures (revenue, results for the period, assets and liabilities) is provided in the appendix "Investments" at the end of the notes.

In 2011 income from investments recorded at equity included impairment charges of T€ 19,419.2 recognised in accordance with IAS 36, which were related to the associated company Flughafen Friedrichshafen GmbH and to Letisko Košice – Airport Košice, a.s. (KSC).

The 25.15% investment in Flughafen Friedrichshafen GmbH was acquired during the second quarter of 2007 for a purchase price (including transaction costs) of € 7.7 million. This acquisition was originally made under the presumption of double-digit growth, strong economic progress and the positive development of this region for tourism. As a consequence of the negative development, the carrying amount of the investment was reduced several times in earlier periods as part of the at-equity valuation. The medium-term planning for Flughafen Friedrichshafen GmbH for the period from 2012 to 2015 reflected these developments and showed that the financial goals could not be met as originally planned. Impairment testing based on the determination of the value in use led to an impairment charge of € 5.7 million in 2011, which was recorded under the Other Segments. This calculation also included a weighted average cost of capital (WACC) of 5.25% (2011). The detailed planning phase covered nine years, with annual growth of 4.0% and 5.0% in traffic and EBIT as well as a perpetual yield of 2.0% per year assumed for the period after the end of the medium-term forecast.

In the fourth quarter of 2006 Flughafen Wien acquired a stake in Košice Airport through a consortium; the investment held indirectly by FWAG equals 66%. This investment is accounted for at equity (see information on the consolidation range). This company has been profitable, but the medium-term forecasts for 2012 to 2016 were based on traffic growth that was substantially below earlier expectations. Impairment testing based on the determination of the value in use resulted in a proportional write-down of € 13.7 million to the assets in the individual financial statements of Košice Airport during 2011. The impairment charge was included in the current results of Košice Airport, but was presented separately and allocated to the Other Segments. This calculation also included a weighted average



cost of capital (WACC) of 8.5% (2011). The detailed planning phase covered 10 years, with annual growth of 2.5% and 2.8% in traffic and EBIT as well as a perpetual yield of 2.5% per year assumed for the period after the end of the medium-term forecast.

### › (8) Income from investments, excluding investments recorded at equity

in T€	2012	2011
Income from non-consolidated subsidiaries	789.2	81.0
Income from investments in other companies	70.0	70.0
Income from the disposal of non-consolidated subsidiaries	72.9	214.0
Loss on the disposal of other financial assets	0.0	-0.1
	932.1	365.0

### › (9) Interest income/expense

in T€	2012	2011
Interest and similar income	4,170.9	4,620.7
Interest and similar expenses	-25,199.9	-13,603.3
	-21,029.0	-8,982.6

### › (10) Other financial income/expense

in T€	2012	2011
Income from the write-up of financial assets	13.3	41.5
Income from the disposal of securities and similar rights	174.1	1,556.6
	187.4	1,598.0

### › (11) Income taxes

in T€	2012	2011
Current tax expense	19,309.7	6,517.3
Current tax income related to prior periods	-1,379.5	-5.1
Change in deferred income taxes	3,484.5	6,941.1
	21,414.7	13,453.3

Tax expense of T€ 21,414.7 for 2012 (2011: T€ 13,453.3) is T€ 2,020.8 (2011: T€ 2,195.0) lower (2011: higher) than the calculated tax expense of T€ 23,435.5 (2011: T€ 11,258.3) that would result from the application of the Austrian corporate tax rate (25%) to profit before tax of T€ 93,742.0 (2011: T€ 45,033.2).

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The difference between the calculated tax rate and the effective tax rate shown in the financial statements is explained by the following table:

### › Tax reconciliation

in T€	2012	2011 <sup>1</sup>
Profit before taxes	93,742.0	45,033.2
Calculated income tax	23,435.5	11,258.3
Adjustments for foreign tax rates	-550.5	-660.9
At-equity valuations	-1,414.5	3,783.1
Current year losses for which deferred tax assets were not recognised	1,085.0	0.0
Derecognition of deferred tax assets on tax loss carryforwards	1,649.7	0.0
Other permanent differences	-1,411.0	-922.1
<b>Income tax expense for the period</b>	<b>22,794.3</b>	<b>13,458.4</b>
Tax income from prior periods	-1,379.5	-5.1
<b>Income tax expense as reported on the income statement</b>	<b>21,414.7</b>	<b>13,453.3</b>
Effective tax rate	22.8%	29.9%

1) Adjusted

The above reconciliation from calculated to reported income tax expense includes an increase for tax loss carryforwards of € 1.6 million that were not capitalised for a Flughafen Wien Group subsidiary as well as an increase of € 1.1 million related to an impairment charge to goodwill in the CGU Real Estate Office (current year losses for which deferred tax assets were not recognised). Income tax expense from prior periods increased due to the adjustment and reassessment of tax issues from previous accounting periods. At-equity valuations were responsible for a reduction of € 1.4 million (2011: increase of € 3.8 million due to impairment charges to investments recorded at equity).

The differences between the carrying amounts in the IFRS financial statements and the financial statements prepared for tax purposes as well as the loss carryforwards recognised as of the balance sheet date have an effect on deferred tax liabilities as shown on the balance sheet. (Additional information is provided under note 29.)

# Notes to the Consolidated Balance Sheet

## Non-current assets

### › (12) Intangible assets

Intangible assets include goodwill, concessions, industrial property rights, software and related licenses.

#### › Development from 1.1. to 31.12.2012

in T€	Concessions and rights	Goodwill Real Estate Office	Goodwill Real Estate Parking	Total
Net carrying amount as of 1.1.2012	10,891.2	4,340.2	54.2	15,285.5
Additions	3,284.9	0.0	0.0	3,284.9
Transfers	5,919.6	0.0	0.0	5,919.6
Disposals	-127.2	0.0	0.0	-127.2
Amortisation	-3,845.7	0.0	0.0	-3,845.7
Impairment	0.0	-4,340.2	0.0	-4,340.2
<b>Net carrying amount as of 31.12.2012</b>	<b>16,122.8</b>	<b>0.0</b>	<b>54.2</b>	<b>16,177.0</b>

#### › Balance on 31.12.2012

Acquisition cost	41,204.8	4,340.2	54.2	45,599.1
Accumulated amortisation	-25,082.0	-4,340.2	0.0	-29,422.2
<b>Net carrying amount</b>	<b>16,122.8</b>	<b>0.0</b>	<b>54.2</b>	<b>16,177.0</b>

#### › Development from 1.1. to 31.12.2011

in T€	Concessions and rights	Goodwill Real Estate Office	Goodwill Real Estate Parking	Total
Net carrying amount as of 1.1.2011	8,128.9	4,340.2	54.2	12,523.2
Additions	4,480.3	0.0	0.0	4,480.3
Transfers	302.0	0.0	0.0	302.0
Amortisation	-2,015.2	0.0	0.0	-2,015.2
Impairment	-4.9	0.0	0.0	-4.9
<b>Net carrying amount as of 31.12.2011</b>	<b>10,891.2</b>	<b>4,340.2</b>	<b>54.2</b>	<b>15,285.5</b>

#### › Balance on 31.12.2011

Acquisition cost	34,860.9	4,340.2	54.2	39,255.2
Accumulated amortisation	-23,969.7	0.0	0.0	-23,969.7
<b>Net carrying amount</b>	<b>10,891.2</b>	<b>4,340.2</b>	<b>54.2</b>	<b>15,285.5</b>

The major additions and transfers for the reporting year represent purchased software. Expenditures of T€ 1,076.5 for the research and development of individual modules of an airport operations software programme were recognised as expenses in 2012 (2011: T€ 1,930.0).

Impairment testing in 2012 led to the recognition of an impairment charge of T€ 4,340.2 to goodwill allocated to the cash-generating unit Real Estate Office (additional details are provided under note 6).

## › (13) Property, plant and equipment

### › Development from 1.1. to 31.12.2012

in T€	Land and buildings	Technical equipment and machinery	Other equipment, furniture, fixtures and office equipment	Prepayments and construction in progress	Total
Net carrying amount as of 1.1.2012	469,317.7	214,425.8	47,600.1	961,197.6	1,692,541.2
Additions <sup>1</sup>	37,847.6	12,128.4	25,755.9	10,777.3	86,509.2
Transfers	728,931.2	136,831.0	29,954.6	-900,210.8	-4,494.0
Disposals	-960.3	-182.1	-498.9	-1,366.6	-3,007.9
Depreciation	-40,876.7	-31,346.3	-18,358.6	0.0	-90,581.7
Impairment	-668.5	-128.9	-2,635.0	0.0	-3,432.5
<b>Net carrying amount as of 31.12.2012</b>	<b>1,193,590.9</b>	<b>331,727.9</b>	<b>81,818.0</b>	<b>70,397.6</b>	<b>1,677,534.4</b>

### › Balance on 31.12.2012

Acquisition cost	1,577,160.9	789,861.2	230,912.6	70,912.5	2,668,847.3
Accumulated depreciation	-383,570.0	-458,133.4	-149,094.6	-514.9	-991,312.9
<b>Net carrying amount</b>	<b>1,193,590.9</b>	<b>331,727.9</b>	<b>81,818.0</b>	<b>70,397.6</b>	<b>1,677,534.4</b>

1) The additions include invoice corrections of € 7.3 million, which are accounted for as negative additions, as well as a reduction of € 8.6 million in acquisition costs to reflect insurance compensation.

### › Development from 1.1. to 31.12.2011

in T€	Land and buildings	Technical equipment and machinery	Other equipment, furniture, fixtures and office equipment	Prepayments and construction in progress	Total
Net carrying amount as of 1.1.2011	478,461.5	236,276.0	43,433.4	780,422.2	1,538,593.1
Additions <sup>1</sup>	16,124.5	3,799.8	17,553.8	216,759.9	254,237.9
Transfers	6,212.3	558.6	26.3	-3,540.9	3,256.4
Disposals	0.0	-1.3	-347.6	-792.7	-1,141.6
Depreciation	-22,546.2	-24,514.3	-13,014.3	0.0	-60,074.8
Impairment	-8,934.4	-1,693.0	-51.5	-31,651.0	-42,329.9
<b>Net carrying amount as of 31.12.2011</b>	<b>469,317.7</b>	<b>214,425.8</b>	<b>47,600.1</b>	<b>961,197.6</b>	<b>1,692,541.2</b>

### › Balance on 31.12.2011

Acquisition cost	801,278.3	661,292.1	190,327.2	993,363.5	2,646,261.2
Accumulated depreciation	-331,960.6	-446,866.3	-142,727.1	-32,165.9	-953,720.0
<b>Net carrying amount</b>	<b>469,317.7</b>	<b>214,425.8</b>	<b>47,600.1</b>	<b>961,197.6</b>	<b>1,692,541.2</b>

1) The additions include invoice corrections of T € 3,657.6, which are accounted for as negative additions.

Borrowing costs of T€ 5,909.5 were capitalised in 2012 (2011: T€ 23,107.6). The average interest rate on financing for the reporting year was 3.45% (2011: 4.0%).

One building was accounted for as a **finance lease** during the reporting year.

### › Development from 1.1. to 31.12.2012

in T€	Land and buildings	Total
Net carrying amount as of 1.1.2012	8,515.4	8,515.4
Depreciation	-912.4	-912.4
<b>Net carrying amount as of 31.12.2012</b>	<b>7,603.1</b>	<b>7,603.1</b>

### › Balance on 31.12.2012

Acquisition cost	9,427.8	9,427.8
Accumulated depreciation	-1,824.7	-1,824.7
<b>Net carrying amount</b>	<b>7,603.1</b>	<b>7,603.1</b>

<b>Useful life (in years)</b>	<b>11</b>	<b>11</b>
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› **Development from 1.1. to 31.12.2011**

in T€	Land and buildings	Total
Net carrying amount as of 1.1.2011	0.0	0.0
Additions	9,427.8	9,427.8
Depreciation	-912.4	-912.4
<b>Net carrying amount as of 31.12.2011</b>	<b>8,515.4</b>	<b>8,515.4</b>

› **Balance on 31.12.2011**

Acquisition cost	9,427.8	9,427.8
Accumulated depreciation	-912.4	-912.4
<b>Net carrying amount</b>	<b>8,515.4</b>	<b>8,515.4</b>

<b>Useful life (in years)</b>	<b>11</b>	<b>11</b>
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The following table shows the major additions to property, plant and equipment and intangible assets in 2012 and 2011, including capitalised borrowing costs:

**› 2012 Financial Year:**

<b>Airport Segment in T€</b>	<b>2012</b>
Check-in 3	32,935.2
Security systems	9,740.9
Third runway	9,729.5
Baggage sorting equipment for Check-in 3	5,589.4
Revitalisation of Terminal 2	4,167.9
Fixtures and operating equipment, incl. software	3,658.7
Guidance system for Check-in 3	3,524.8
Revitalisation of Terminal 1	3,147.9
Furniture for Check-in 3	3,070.2
Conveyor bridge	1,280.6
Airport fencing	1,216.5
Runway 16/34	1,078.2
Motor vehicles	714.3
Quick boarding gates	532.5

<b>Handling Segment in T€</b>	<b>2012</b>
Special vehicles	5,444.0
Towing vehicles	760.8
Automobiles, busses, vans, delivery trucks	553.5
Ground equipment for apron handling	353.3
Transport and baggage carts	325.8
Lifting and loading vehicles	143.4

<b>Retail &amp; Properties Segment in T€</b>	<b>2012</b>
Forwarding agent building	9,276.4
Retail expansion Check-in 3	2,202.2
Rental areas in car park 4	794.0
Roads and parking areas	572.5
Advertising space in Check-in 3	443.2
Fixtures and operating equipment, incl. software and tools	412.5
Skidata equipment for parking areas and car parks	369.9

<b>Other Segments in T€</b>	<b>2012</b>
IT hardware	1,928.6
Replacement of host software	1,661.0
Fixtures and operating equipment	1,444.1
Software	1,409.1
Buildings	539.1
Machinery, tools	383.0

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**› 2011 Financial Year:**

<b>Airport Segment in T€</b>	<b>2011</b>
Check-in 3	171,790.9
Third runway	15,762.8
Equipment storage hall	9,427.8
Security systems	5,312.0
Revitalisation of bus gates	3,803.6
Quick boarding gates	3,417.1
Check-in 3 furniture	2,446.5
Fixtures and operating equipment, incl. software	1,969.5
Check-in 3 guidance system	1,704.4
External installations (aprons, lighting equipment)	1,697.8
Check-in 3 baggage sorting equipment	1,610.5
Expansion of access roads	1,452.4
Access control equipment	1,384.4
Check-in 3 Lounges	1,256.1
<b>Handling Segment in T€</b>	<b>2011</b>
Special vehicles	3,072.3
Towing vehicles	441.9
Automobiles, busses, vans, delivery trucks	401.1
Fixtures and operating equipment, incl. software	371.9
Ground equipment for apron handling	366.9
Lifting and loading vehicles	276.0
<b>Retail &amp; Properties Segment in T€</b>	<b>2011</b>
Usage rights waste water association	2,700.0
Forwarding agent building	1,268.3
Expansion of Office Park 3	1,053.0
Check-in 3 retail expansion	1,014.6
<b>Other Segments in T€</b>	<b>2011</b>
IT hardware	3,984.4
Software	1,527.4
Fixtures and operating equipment	930.1
Partial adaptation winter services hall	812.0

The transfers from prepayments and construction in progress to the other asset categories are related, above all, to the following positions: the terminal extension (Check-in 3) at € 658.6 million (including impairment charges of € 31.6 million), capitalised borrowing costs (€ 57.5 million), baggage sorting equipment (€ 46.3 million), and interface projects (€ 85.5 million). In addition, technical noise protection measures totalling € 34.6 million were recognised as part of the costs for the third runway.



**(14) Investment property****› Development from 1.1. to 31.12.2012**

in T€	Investment property	Prepayments and construction in progress	Total
Net carrying amount as of 1.1.2012	119,187.4	748.0	119,935.4
Additions	5,994.9	5,541.2	11,536.1
Transfers	-677.7	-748.0	-1,425.7
Disposals	-22.6	0.0	-22.6
Depreciation	-3,683.7	0.0	-3,683.7
Impairment	-7,476.0	0.0	-7,476.0
<b>Net carrying amount as of 31.12.2012</b>	<b>113,322.4</b>	<b>5,541.2</b>	<b>118,863.6</b>

**› Balance on 31.12.2012**

Acquisition cost	186,829.4	5,541.2	192,370.6
Accumulated depreciation	-73,507.0	0.0	-73,507.0
<b>Net carrying amount</b>	<b>113,322.4</b>	<b>5,541.2</b>	<b>118,863.6</b>

**› Development from 1.1. to 31.12.2011**

in T€	Investment property	Prepayments and construction in progress	Total
Net carrying amount as of 1.1.2011	139,366.2	0.0	139,366.2
Additions	776.2	748.0	1,524.2
Transfers	-3,558.4	0.0	-3,558.4
Depreciation	-4,242.0	0.0	-4,242.0
Impairment	-13,154.5	0.0	-13,154.5
<b>Net carrying amount as of 31.12.2011</b>	<b>119,187.4</b>	<b>748.0</b>	<b>119,935.4</b>

**› Balance on 31.12.2011**

Acquisition cost	172,274.3	748.0	173,022.3
Accumulated depreciation	-53,086.9	0.0	-53,086.9
<b>Net carrying amount</b>	<b>119,187.4</b>	<b>748.0</b>	<b>119,935.4</b>

in T€	2012	2011
Rental income	14,687.8	13,667.9
Operating expenses for rented properties	5,759.2	6,387.0
Operating expenses for vacant properties	924.8	1,472.2

Investment property consists of buildings that are held to generate rental income.

The fair value of the investment properties totalled T€ 129,799.3 as of 31 December 2012 (2011: T€ 133,193.3) according to internal calculations. The internal calculation of fair value was based on the respective earnings values, primarily with a detailed planning horizon of five years and a weighted cost of capital (WACC) of 6.14% (2011: 5.68%) as well as underlying target occupancy rates for the individual objects. A perpetual yield of 1% (2011: 1%) was assumed after the detailed planning period of five years.

## (15) Investments accounted for using the equity method

### › Development from 1.1. to 31.12.

in T€	2012	2011
Net carrying amount as of 1.1.	90,968.2	108,485.9
Sale of shares (disposal)	0.0	-15.5
Share of profit for the period	5,637.5	4,604.3
Share of loss for the period	-12.3	-306.6
Impairment	0.0	-19,419.2
Dividends	-1,874.6	-2,380.6
Net carrying amount as of 31.12.	94,718.8	90,968.2

## (16) Other financial assets

in T€	31.12.2012	31.12.2011
Originated loans and receivables	813.5	1,412.6
Thereof loans granted to employees	93.1	86.5
Thereof other originated loans and receivables (LaR)	720.3	1,326.1
Available-for-sale assets (AfS)	3,606.0	5,101.8
Thereof investments in non-consolidated subsidiaries	157.3	192.3
Thereof long-term investment funds and securities	3,448.6	4,909.4
	4,419.4	6,514.4

Definition of valuation categories: LaR – loans and receivables. AfS – financial instruments available for sale

Originated loans and receivables include the following: a loan of T€ 153.9 (2011: T€ 84.3) to Société Internationale Télécommunications Aéronautiques SC, a loan of T€ 96.8 (2011: T€ 225.8) to AIRPORT JET SET SERVICE, Christian Hirmann Gesellschaft m.b.H., loans of T€ 93.1 (2011: T€ 86.5) to employees, a receivable of T€ 116.3 (2011: T€ 122.9) related to the

granting of an investment subsidy by the Austrian Environmental Fund and a loan of T€ 353.5 for the pre-financing of a bicycle path for the surrounding communities.

In 2012 full repayment was received for a loan arising from the sale of a property which had a carrying amount of T€ 893.2 on 31 December 2011.

The valuation allowances recognised to the above items totalled T€ 332.0 (2011: T€ 332.0).

Available-for-sale financial assets consist chiefly of T€ 3,448.6 (2011: T€ 4,909.4) in investment fund shares and similar rights that have been held for a longer period of time as well as shares in non-consolidated companies totalling T€ 157.3 (2011: T€ 192.3), which were not included in the consolidated financial statements because the related amounts are currently immaterial.

The investment in the non-consolidated Indian Airports Holding GmbH was sold in February through a contract of sale. The gain on the sale of these shares amounted to T€ 72.9.

**Shares in non-consolidated subsidiaries (2012):**

- › GetService Dienstleistungsgesellschaft m.b.H.
- › „GetService“-Flughafen-Sicherheits- und Servicedienst GmbH
- › Salzburger Flughafen Sicherheitsgesellschaft m.b.H.
- › VIE Shops Entwicklungs- und Betriebsges.m.b.H.

## Current assets

### > (17) Inventories

in T€	31.12.2012	31.12.2011
Consumables and supplies	4,356.0	4,343.3
	<b>4,356.0</b>	<b>4,343.3</b>

Consumables and supplies consist mainly of de-icing materials, fuel, spare parts and other materials used in airport operations. As of 31 December 2012 and 31 December 2011, no inventories were valued at the net selling price.

### > (18) Securities

in T€	31.12.2012	31.12.2011
Fixed-interest securities	29,652.0	29,535.0
Thereof AfS	9,652.0	9,535.0
Thereof LaR	20,000.0	20,000.0
	<b>29,652.0</b>	<b>29,535.0</b>

Definition of valuation categories: LaR – loans and receivables, AfS – financial instruments available for sale

### > (19) Receivables and other assets

in T€	31.12.2012	31.12.2011
Gross trade receivables	50,801.9	38,848.5
Less valuation allowances	-8,115.0	-4,890.2
<b>Net trade receivables (LaR)</b>	<b>42,686.9</b>	<b>33,958.3</b>
Receivables due from non-consolidated subsidiaries (LaR)	403.5	339.0
<b>Subtotal</b>	<b>43,090.4</b>	<b>34,297.3</b>
Receivables due from investments recorded at equity (LaR)	465.0	77.8
Receivables due from taxation authorities	21,398.5	35,477.5
Other receivables and assets (non-financial instruments)	68.9	201.1
Other receivables and assets (LaR)	6,660.7	4,800.9
Prepaid expenses	3,959.7	4,850.7
	<b>75,643.2</b>	<b>79,705.4</b>

Definition of valuation categories: LaR – loans and receivables, AfS – financial instruments available for sale

The payment terms for trade receivables generally range from 8 to 30 days. Individual valuation allowances were recognised to reflect possible bad debt losses. The carrying amount of trade receivables approximates the fair value of these items. The receivables due from taxation authorities represent advance payments on corporate income taxes as well as VAT tax credits that were offset against liabilities arising from payroll-related taxes.

## › (20) Cash and cash equivalents

in T€	31.12.2012	31.12.2011
Cash	131.6	125.5
Deposits with financial institutions	7,010.4	15,204.5
Short-term deposits (time deposits)	33,297.0	96,000.0
	<b>40,439.0</b>	<b>111,330.0</b>

All short-term investments had a maximum commitment period of three months at the time the investment was made. The average interest rate on deposits with financial institutions equalled 1.07% as of 31 December 2012 (2011: 1.72%). The carrying amount of cash and cash equivalents approximates fair value.

No fixed-term deposits were pledged to domestic financial institutions as of the balance sheet date (2011: T€ 23,000.0).

## Equity

### › (21) Share capital

The share capital of Flughafen Wien AG is fully paid in and totals T€ 152,670.0. It is divided into 21,000,000 shares of bearer stock, which carry voting and dividend rights. All shares carry the same rights and obligations ("one share – one vote"). There were 21,000,000 shares outstanding as of 31 December 2012, which reflects the same number as in the prior year.

Earnings per share as shown on the income statement are calculated by dividing the share of net profit for the period attributable to the shareholders of the parent company by the weighted average number of shares outstanding for the financial year. There are no option rights for the issue of new shares. Therefore, basic earnings per share equal diluted earnings per share.

The recommended dividend is dependent on the approval of the annual general meeting, and was therefore not recognised as a liability in the consolidated financial statements. The recommended dividend for the 2012 financial year equals € 1.05 (2011: € 1.00) per share.

### › (22) Capital reserves

Capital reserves comprise a T€ 92,221.8 premium generated by the stock issue in 1992 and a T€ 25,435.5 premium realised on the capital increase in 1995. These items were recognised in the individual financial statements of Flughafen Wien AG.

### › (23) Other reserves

The component items of other reserves are described below. The development of these reserves is shown on the statement of changes in equity.

- a) Available-for-sale reserve: This reserve comprises the accumulated gains or losses on the market valuation of available-for-sale financial assets. These amounts are recognised in other comprehensive income after the addition or deduction of any transfers to profit or loss in connection with a sale or an impairment charge.
- b) Hedging reserve: This reserve includes gains and losses on the effective portion of cash flow hedges. The gains and/or losses accumulated in the reserve are only transferred to profit or loss if the hedged transaction also influences earnings or is terminated.
- c) Actuarial gains and losses: Actuarial gains and losses on the provisions for severance compensation and pensions, which result from experience-based adjustments or changes in actuarial assumptions, are recognised directly in other comprehensive income during the period incurred.
- d) Currency translation reserve: This reserve covers all differences resulting from the translation of foreign subsidiary financial statements from the functional currency to the Group's reporting currency.

## › (24) Retained earnings

Retained earnings comprise the profits generated by the Group after the deduction of dividends. The maximum amount available for distribution to the shareholders of the parent company equals the amount shown as “total profit” on the individual financial statements of Flughafen Wien AG as of 31 December 2012, which were prepared in accordance with Austrian generally accepted accounting principles.

## Income and expenses related to the employee foundation

The tenth (extraordinary) annual general meeting on 15 November 2000 authorised the repurchase of Flughafen Wien shares at an amount equal to 10% of share capital for subsequent transfer to an employee foundation. A total of 2,100,000 shares (10% of share capital) were repurchased on 30 November 2000. These shares were transferred to Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung (the employee foundation) on 20 December 2000 (2,000,000 shares) and on 2 February 2001 (100,000 shares). The shares owned by the foundation carry voting and dividend rights, whereby the dividends received from Flughafen Wien AG are distributed directly to employees with no deductions.

This share-based payment to employees of the Flughafen Wien Group was granted prior to the enactment of IFRS 2 “Share-based Payment”. The effects of these distributions to employees in 2000 and 2001 as well as the corporate income tax payments made on behalf of the employee foundation total T€ 14,012.4 and were recognised directly in equity under retained earnings. There were no such effects in 2012 or 2011.

## › (25) Non-controlling interests

Non-controlling interests represent shares held by third parties in the equity of consolidated subsidiaries. As of the balance sheet date, non-controlling interests reflected the stake held by RZB Holding GmbH in the Slovakian subsidiary BTS Holding a.s. “v likvidácii” (in liquidation).

The development of non-controlling interests is shown on the statement of changes in equity.

## Non-current liabilities

### › (26) Non-current provisions

in T€	31.12.2012	31.12.2011
Severance compensation	71,460.5	58,513.3
Pensions	16,658.6	15,188.2
Service anniversary bonuses	17,128.8	14,199.0
Semiretirement programmes for older employees	19,487.0	20,054.6
Miscellaneous provisions	8,972.0	7,240.1
	<b>133,707.0</b>	<b>115,195.1</b>

### › Provisions for severance compensation

Legal regulations and collective bargaining agreements grant employees who joined the company before 1 January 2003 a lump-sum payment on termination or retirement. The amount of this severance compensation is based on the length of service with the company and compensation at the end of employment.

Employees who joined the company after 31 December 2002 no longer have a direct claim to legal severance compensation from their employer. For these employment contracts, severance compensation obligations are met through regular payments to an employee benefit fund. This severance compensation model only requires the employer to make regular contributions. Collective bargaining agreements also entitle these employees to severance compensation payments; provisions were created to cover the relevant amounts.

### › Development of the provision for severance compensation

in T€	2012	2011
Provision recognised as of 1.1. = present value (DBO) of obligation	58,513.3	61,040.7
Net expense recognised to profit or loss	6,350.4	6,805.6
Actuarial gains (-)/losses (+) not recognised to profit or loss	13,345.6	79.7
Severance compensation payments	-6,748.8	-9,412.7
<b>Provision recognised as of 31.12. = present value (DBO) of obligation</b>	<b>71,460.5</b>	<b>58,513.3</b>

The cumulative actuarial differences on the provisions for severance compensation that were recognised in other comprehensive income amounted to T€ -19,805.8 as of 31 December 2012 (2011: T€ -9,784.2).



› **Personnel expenses include the following:**

in T€	2012	2011
Service cost	3,828.5	4,116.1
Interest cost	2,522.0	2,689.5
<b>Severance compensation expense recorded under personnel expenses</b>	<b>6,350.4</b>	<b>6,805.6</b>

in T€	2012	2011	2010	2009	2008
Present value (DBO) of obligation on 31.12.	71,460.5	58,513.3	61,040.7	52,806.6	49,910.1
Adjustments (+) gains / (-) losses based on experience	-1,687.1	274.6	-1,504.1	630.0	-2,365.1
As a % of the present value of the obligation (DBO) at the end of the period	-2.4	0.5	-2.5	1.2	-4.7

Experienced-based adjustments represent the actuarial gains and losses caused by differences between the assumptions for individual employee-related parameters and parameters applicable to the entire workforce. Among others, these parameters include the development of wages and salaries, the number of deaths, early retirement and resignations.

Severance compensation payments are expected to total T€ 1,266.8 in 2013 (2011: T€ 2,401.5).

## Provisions for pensions

Flughafen Wien AG has concluded individual agreements for the payment of supplementary defined benefits to certain active and retired key employees. These commitments are covered in part by reinsurance, which represented plan assets as defined in IAS 19. The amount of the provision was reduced by the amount of the insurance. The pension claims were transferred to a pension fund in 2011 and, consequently, these rights no longer represent plan assets.

Employees who joined the company before 1 September 1986 had a claim to defined benefit pension subsidies based on special company agreements. These payments were dependent on the length of employment and final compensation. In autumn 2001 active employees were given the option of receiving a one-time settlement payment equal to 100% of the 2000 provision for pensions, as calculated in accordance with Austrian commercial law, and transferring to a contribution-based pension fund model with no requirement for subsequent contributions on the part of the employer. A total of 588 employees accepted this offer at the beginning of 2002. Retired employees who did not accept the settlement offered in 2001 still have a claim to pension payments.

For employees who joined the company after 1 September 1986, Flughafen Wien AG has concluded a company agreement for retirement, invalidity and survivors' pensions through a contract with a pension fund (defined contribution plan).

The company makes payments equal to 2.5% of monthly wages and salaries for all employees covered by the company pension agreement as long as their employment relationship remains in effect. In addition, employees can make additional contributions to >

the fund. Employees' claims to retirement and survivors' pensions arising from contributions made by the employer are transferred to the pension fund five years after the start of contribution payments. These amounts become vested after a further five years.

#### › Reconciliation to the provision for pensions on the balance sheet

in T€	2012	2011
Present value (DBO) of the obligation as of 31.12.	16,658.6	15,188.2
Pension plan assets at fair value as of 31.12.	0.0	0.0
Provision recognised as of 31.12.	16,658.6	15,188.2

#### › Development of the present value of the obligation (DBO)

in T€	2012	2011
Present value (DBO) of the obligation as of 1.1.	15,188.2	19,254.8
Service cost	9.6	14.8
Interest cost	654.3	699.5
Actuarial gains(-) / losses(+) not recognised to profit or loss	1,951.1	-588.9
Pension payments	-1,144.5	-4,192.1
Present value (DBO) of the obligation as of 31.12.	16,658.6	15,188.2

The cumulative actuarial differences on the provisions for pensions that were recognised in other comprehensive income amounted to T€ -940.7 as of 31 December 2012 (2011: T€ 522.5).

#### › Development of plan assets

in T€	2012	2011
Plan assets at fair value as of 1.1	0.0	2,506.4
Actual return on plan assets	0.0	0.0
Plan settlements	0.0	-2,506.4
Plan assets at fair value as of 31.12.	0.0	0.0

The pension plan assets represent qualified reinsurance policies.

#### › Personnel expenses include the following:

in T€	2012	2011
Service cost	9.6	14.8
Interest cost	654.3	699.5
Pension expenses recorded under personnel expenses	663.9	714.3

### › Historical information on pension obligations

in T€	2012	2011	2010	2009	2008
Present value (DBO) of obligations on 31.12.	16,658.6	15,188.2	19,254.8	22,735.6	22,068.6
Plan assets at fair value	0.0	0.0	-2,506.4	-5,089.5	-4,940.0
Deficit (+) / surplus (-)	16,658.6	15,188.2	16,748.4	17,646.1	17,128.6
Adjustments (+) gains / (-) losses based on experience	28.4	759.7	-1,719.1	-1,196.3	-570.3
As a % of the present value of the obligation (DBO)	0.2	5.0	-8.9	-5.3	-2.6
As a % of pension plan assets at the end of the period	n.a.	n.a.	-68.6	-23.5	-11.5

Pension payments are expected to total T€ 1,321.2 in 2013 (previous year T€ 1,298.3).

### Provision for service anniversary bonuses

The employees of the Austrian companies are entitled to receive special long-service bonuses. The specific entitlement criteria and amount of the bonus are regulated by the collective bargaining agreements for the employees of public airports in Austria.

### › Development of the provision for service anniversary bonuses

in T€	2012	2011
Provision recognised as of 1.1. = present value (DBO) of obligations	14,199.0	13,713.0
Net expense recognised to profit or loss	3,392.9	933.7
Service anniversary bonus payments	-463.1	-447.7
Provision recognised as of 31.12. = present value (DBO) of obligations	17,128.8	14,199.0

### › Personnel expenses include the following:

in T€	2012	2011
Service cost	960.5	974.1
Interest cost	594.6	607.7
Actuarial gains (-)/losses (+) recognised to profit or loss	1,837.8	-648.0
Service anniversary bonuses recorded under personnel expenses	3,392.9	933.7

## Provisions for semiretirement programmes for older employees

This item reflects mandatory payments to personnel who work part-time under special regulations governing employment for older members of the workforce as well as the costs for time worked above and beyond the agreed number of hours.

in T€	1.1.2012	Use	Addition	31.12.2012
Semiretirement programmes	20,054.6	-4,556.3	3,988.7	19,487.0

in T€	1.1.2011	Use	Addition	31.12.2011
Semiretirement programmes	12,840.5	-3,003.6	10,217.7	20,054.6

## Miscellaneous provisions

in T€	1.1.2012	Use	Addition	31.12.2012
Miscellaneous provisions	7,240.1	0.0	1,731.9	8,972.0

in T€	1.1.2011	Use	Addition	31.12.2011
Miscellaneous provisions	0.0	0.0	7,240.1	7,240.1

This position includes a provision for impending losses related to residual value risks arising from leases for real estate at the Vienna Airport location.

The effect from the compounding of this provision amounted to T€ 400.4 (2011: T€ 0.0).

## › (27) Non-current and current financial liabilities

in T€	31.12.2012	31.12.2011
Current financial liabilities	151,006.5	71,301.9
Long-term bank loans	638,730.2	821,285.4
<b>Financial liabilities</b>	<b>789,736.7</b>	<b>892,587.3</b>

The bank loans were concluded to finance the extensive capital expenditure programme at Vienna Airport.

In January 2012 a premature repayment of € 64.0 million was made on the promissory note issued in 2009. An agreement was reached for the remaining balance of this promissory note that reduced the interest rate margin based on an unchanged term. Moreover, € 60.8 million of a loan concluded in 2010 and 2011 within the framework of an Austrian law to strengthen liquidity ("Unternehmensliquiditätsstärkungsgesetz") was also repaid during the reporting year.

As of 31 December 2012 the Flughafen Wien Group had borrowed short-term advances of € 20.0 million (2011: € 0.0 million) from Austrian financial institutions.

› **The remaining terms of the bank loans are as follows:**

	31.12.2012	31.12.2011 <sup>1</sup>
Up to one year	151,006.5	71,301.9
More than one year and up to five years	283,596.4	438,817.9
More than five years	355,133.7	382,467.5
	<b>789,736.7</b>	<b>892,587.3</b>

1) Adjusted

All financial liabilities were concluded in euros. The average interest rate on financial liabilities equalled 3.57% for the reporting year (2011: 3.83%)

› **(28) Other non-current liabilities**

in T€	31.12.2012	31.12.2011
Waste water association	2,700.0	2,700.0
Finance lease liabilities	7,372.9	8,108.0
Liabilities to investments accounted for at equity	764.8	0.0
Environmental fund (long-term portion)	0.0	11,692.9
<b>Subtotal financial liabilities</b>	<b>10,837.6</b>	<b>22,500.8</b>
Accruals	26,164.4	27,405.3
Investment subsidies from public funds	1,427.6	1,651.7
	<b>38,429.7</b>	<b>51,557.8</b>

The liabilities to the environmental fund (prior year) represent obligations arising from the mediation process. (Also see note 32.)

The accruals consist primarily of rental prepayments by Austro Control GmbH for the air traffic control tower, which was completed in 2005. The lease has a term of 33 years ending in April 2038.

Flughafen Wien AG received non-repayable investment subsidies from public authorities during the period from 1977 to 1985. In 1997, 1998 and 1999 Flughafen Wien AG also received investment subsidies from the European Union. The investment allowances received from the Republic of Austria from 2002 to 2004 are accounted for as government grants and reversed to profit or loss over the useful life of the relevant assets.

Other non-current liabilities also include a finance lease liability, which reflects the rental of a maintenance and winter services hall. The current portion of the lease liability is reported under other current liabilities (note 32).

› **The term structure of the lease liabilities is shown in the following table:**

	31.12.2012	31.12.2011
Up to one year	735.1	683.8
Over one year and up to five years	3,535.3	3,288.5
Over five years	3,837.5	4,819.5

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The remaining term of the minimum lease payments and the transition to the present value as of the balance sheet date are as follows:

in T€	Remaining term			Total 31.12.2012
	Up to 1 year	1-5 years	Over 5 years	
Lease payments	1,299.6	5,198.6	4,332.1	10,830.4
– Discounts	564.5	1,663.3	494.6	2,722.4
<b>Present value</b>	<b>735.1</b>	<b>3,535.3</b>	<b>3,837.5</b>	<b>8,108.0</b>

in T€	Remaining term			Total 31.12.2011
	Up to 1 year	1-5 years	Over 5 years	
Lease payments	1,299.6	5,198.6	5,631.8	12,130.0
– Discounts	615.9	1,910.1	812.3	3,338.3
<b>Present value</b>	<b>683.8</b>	<b>3,288.5</b>	<b>4,819.5</b>	<b>8,791.8</b>

The underlying lease has a basic term of 11 years, which also represents the useful life for the calculation of depreciation. If Flughafen Wien AG does not terminate the lease in accordance with the respective provisions, it will automatically be extended for a further three years.

## › (29) Deferred tax liabilities

### › Deferred taxes

in T€	2012	2011
<b>Deferred tax assets</b>		
Intangible assets and property, plant and equipment	13.8	53.7
Financial assets	238.9	274.5
Provisions for severance compensation	8,007.3	4,812.6
Provisions for pensions	1,340.9	918.9
Provisions for service anniversary bonuses	1,929.6	1,364.0
Other provisions	1,209.6	1,219.0
Tax loss carryforwards	62.1	1,711.8
	<b>12,802.3</b>	<b>10,354.6</b>
<b>Deferred tax liabilities</b>		
Intangible assets and property, plant and equipment	33,709.3	30,670.1
Securities	202.9	166.2
Other assets and liabilities	93.1	484.9
Tax provisions from consolidation entries	2,164.0	2,640.4
	<b>36,169.4</b>	<b>33,961.5</b>
<b>Total net deferred taxes</b>	<b>-23,367.1</b>	<b>-23,606.9</b>

The following tables show the development and allocation of the total change in the provision for deferred taxes into the components recognised to profit or loss and the components recognised directly in equity:

#### › Development of deferred tax assets

in T€	2012	2011
<b>Balance on 1.1.</b>	<b>10,354.6</b>	<b>12,106.1</b>
Changes recognised to profit or loss	-1,380.6	-1,642.0
Changes recognised in other comprehensive income		
Actuarial differences	3,828.3	-109.4
Total changes recognised in other comprehensive income	3,828.3	-109.4
<b>Balance on 31.12.</b>	<b>12,802.3</b>	<b>10,354.6</b>

#### › Development of deferred tax liabilities

in T€	2012	2011
<b>Balance on 1.1.</b>	<b>33,961.5</b>	<b>29,143.5</b>
Changes recognised to profit or loss	2,103.9	5,299.1
Changes recognised in other comprehensive income		
Non-current securities	14.6	45.7
Current securities	29.3	-581.0
Hedging reserve	60.1	54.2
Total changes recognised in other comprehensive income	104.0	-481.1
<b>Balance on 31.12.</b>	<b>36,169.4</b>	<b>33,961.5</b>

The calculation of deferred tax assets for the Austrian companies is based on the applicable corporate income tax rate (25%). The deferred tax assets and deferred tax liabilities held by the Austrian companies were netted out. The calculation of taxes in foreign countries is based on the applicable tax rates (32.5%/35% for Malta and 19% for Slovakia).

The change recorded without recognition through profit or loss involves gains and losses on available-for-sale financial instruments and cash flow hedges as well as actuarial gains and losses not affecting net income that are included under other comprehensive income.

Deferred taxes were not recognised for investments recorded at equity or shares in subsidiaries and joint ventures. Temporary differences of T€ 2,596.0 (2011: T€ 6,346.6) are related to investments and joint ventures recorded at equity, which would have led to deferred tax assets of T€ 649.0 (2011: deferred tax assets of T€ 1,586.7).

Amounts in T€	Temporary differences (assets)	Temporary differences (liabilities)	Net total
Columinis Holding GmbH in liquidation	10.9		10.9
City Air Terminal Betriebsgesellschaft m.b.H.	1,523.7		1,523.7
SCA Schedule Coordination Austria GmbH		-220.9	-220.9
Flughafen Friedrichshafen GmbH	7,691.2		7,691.2
Malta International Airport p.l.c./Malta Mediterranean Link Consortium Limited		-6,365.7	-6,365.7
Letisko Košice - Airport Košice, a.s.		-43.2	-43.2
<b>Temporary differences</b>	<b>9,225.8</b>	<b>-6,629.8</b>	<b>2,596.0</b>
<b>Deferred taxes</b>	<b>2,306.5</b>	<b>-1,657.5</b>	<b>649.0</b>

Deferred tax assets of T€ 2,599.5 had not been recognised as of 31 December 2012 (2011: T€ 938.7). These amounts are related primarily to deferred tax assets on loss carryforwards, which were not recognised due to the uncertainty connected with their acceptance by the taxation authorities. If the loss carryforwards are accepted, there would be no time limit on their utilisation. These amounts also include deferred tax assets on loss carryforwards from the write-off of investments, which must be distributed over seven years.



## Current liabilities

### › (30) Current provisions

in T€	31.12.2012	31.12.2011
Unused vacation	9,675.8	9,441.8
Other claims by employees	9,100.6	12,470.2
Income taxes	9,258.6	7,194.5
Foundation expenses	906.3	906.3
Goods and services not yet invoiced	43,557.5	53,965.2
Outstanding discounts	11,223.9	24,571.6
Miscellaneous provisions	12,808.7	8,962.9
	<b>96,531.5</b>	<b>117,512.7</b>

### › Development from 1.1. to 31.12.2012

in T€	1.1.2012	Use	Reversal	Addition	31.12.2012
Unused vacation	9,441.8	-21.1	-167.1	422.2	9,675.8
Other claims by employees	12,470.2	-7,988.7	-3,202.7	7,821.8	9,100.6
Income taxes	7,194.5	-6,768.3	-207.8	9,040.1	9,258.6
Foundation expenses	906.3	0.0	0.0	0.0	906.3
Goods and services not yet invoiced	53,965.2	-29,886.2	-4,858.0	24,336.4	43,557.5
Outstanding discounts	24,571.6	-22,055.1	-2,514.2	11,221.6	11,223.9
Miscellaneous provisions	8,962.9	-3,620.5	-688.4	8,154.7	12,808.7
	<b>117,512.7</b>	<b>-70,339.9</b>	<b>-11,638.1</b>	<b>60,997.0</b>	<b>96,531.5</b>

The provisions for other claims by employees consist primarily of accrued overtime pay, other remuneration and performance bonuses.

The provision for foundation expenses represents the current portion of the obligation to cover the tax expenses of Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung (the employee foundation). Changes to this provision are recorded directly in equity without recognition through profit or loss.

The provisions for outstanding discounts represent discounts to which the airlines are entitled and cover the period up to the balance sheet date.

Miscellaneous current provisions consist chiefly of provisions for damages and legal proceedings as well as other accruals.

### › (31) Trade payables

in T€	31.12.2012	31.12.2011
To third parties	62,383.5	85,967.6
To non-consolidated subsidiaries	7,168.9	6,550.6
To companies recorded at equity	31.3	13.4
	<b>69,583.7</b>	<b>92,531.6</b>

### › (32) Other current liabilities

in T€	31.12.2012	31.12.2011 <sup>1</sup>
Amounts due to companies recorded at equity	5,891.0	4,882.7
Customers with credit balances	1,094.6	1,556.1
Environmental fund (current portion)	26,101.3	11,692.9
Finance lease liabilities (current portion)	735.1	683.8
Miscellaneous liabilities	6,770.7	6,586.3
Accrued wages	7,182.8	9,398.6
<b>Subtotal financial liabilities at amortised cost (FLAC)<sup>2</sup></b>	<b>47,775.5</b>	<b>34,800.4</b>
Derivative financial instruments (hedging)	0.0	240.5
Other tax liabilities	2,024.2	1,624.2
Other accruals (deferred income)	1,521.1	1,494.1
Other social security liabilities	7,324.6	7,287.3
Investment subsidies (Government grants)	223.8	278.0
Miscellaneous liabilities (non-financial liabilities)	0.0	18.7
	<b>58,869.3</b>	<b>45,743.0</b>

1) Prior year subtotal adjusted

2) Financial liabilities at amortised cost

The liabilities to the environmental fund represent obligations arising from the mediation process. Of the outstanding liability, T€ 26,101.3 were reclassified to miscellaneous current liabilities as of 31 December 2012 to reflect the assumption that the conditions for payment will be met in 2013.

The other accruals consist primarily of the current portion of rental prepayments by Austro Control GmbH for the air traffic control tower.

## Other Disclosures

### › (33) Cash flow statement

The indirect method was used to prepare the consolidated cash flow statement. Information on the components of cash and cash equivalents is provided under note 20.

Interest payments and dividends received are included under cash flow from operating activities. Of this amount, T€ 3,454.1 (2011: T€ 4,338.1) represent interest income and T€ 26,817.9 (2011: T€ 32,964.6) interest expense. Dividends received totalled T€ 880.1 (2011: T€ 171.2). The dividend paid by Flughafen Wien AG is included under cash flow from financing activities.

Purchases of property, plant and equipment for which payment had been made by the end of the reporting year were included in the cash flow statement as cash transactions (2011: elimination of unpaid purchases as non-cash transactions). Including an adjustment for payments added or eliminated in previous years, the addition totalled T€ 31,440.6 in 2012 (2011: elimination of T€ 39,313.3).

### › (34) Additional disclosures on financial instruments

#### Receivables, originated loans and other financial assets

The following tables show the term structure of receivables, originated loans and other financial assets as well as the development of valuation allowances:

2012 in T€	Carrying amount after valuation allowance 31.12.2012	Thereof neither adjusted nor overdue	Thereof not adjusted but overdue during the following periods				
			Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	Over 360 days
Remaining term up to 1 year	70,216.2	63,455.2	1,351.0	307.7	966.8	396.5	2,764.6
Remaining term over 1 year	720.3	720.3	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>70,936.5</b>	<b>64,175.5</b>	<b>1,351.0</b>	<b>307.7</b>	<b>966.8</b>	<b>396.5</b>	<b>2,764.6</b>

2011 <sup>1)</sup> in T€	Carrying amount after valuation allowance 31.12.2011	Thereof neither adjusted nor overdue	Thereof not adjusted but overdue during the following periods				
			Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	Over 360 days
Remaining term up to 1 year	59,176.1	56,899.0	699.3	274.5	-92.0	396.2	113.6
Remaining term over 1 year	1,326.1	1,326.1	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>60,502.2</b>	<b>58,225.1</b>	<b>699.3</b>	<b>274.5</b>	<b>-92.0</b>	<b>396.2</b>	<b>113.6</b>

1) Adjusted

There were no indications as of the balance sheet date that the debtors would be unable to meet their obligations for the payment of receivables or originated loans that were neither adjusted nor overdue.

The valuation allowances relate primarily to trade and other receivables, and developed as follows in 2012 and 2011:

2012 in T€	Valuation allowances 1.1.2012	Use	Reversal	Addition	Valuation allowances 31.12.2012
Individual valuation allowances	6,769.9	-217.3	-3,166.4	4,989.3	8,375.5
Collective valuation allowances	19.9	0.0	-5.9	0.0	14.0
<b>Total</b>	<b>6,789.7</b>	<b>-217.3</b>	<b>-3,172.3</b>	<b>4,989.3</b>	<b>8,389.4</b>

2011 in T€	Valuation allowances 1.1.2011	Use	Reversal	Addition	Valuation allowances 31.12.2011
Individual valuation allowances	6,105.4	-264.0	-507.3	1,435.8	6,769.9
Collective valuation allowances	78.7	0.0	-58.8	0.0	19.9
<b>Total</b>	<b>6,184.1</b>	<b>-264.0</b>	<b>-566.2</b>	<b>1,435.8</b>	<b>6,789.7</b>

Expenses for the derecognition of receivables (primarily trade receivables) totalled T€ 71.5 in 2012 (2011: T€ 194.9).

An analysis of the receivables adjusted as of the balance sheet date according to the period overdue is shown below:

2012 in T€	Carrying amount before valuation allowance 31.12.2012	Individual valuation allowance 31.12.2012	Collective valuation allowance 31.12.2012	Carrying amount after valuation allowance 31.12.2012
Overdue < 1 year	5,883.4	5,275.2	8.9	599.3
Overdue > 1 year	5,097.8	3,100.3	5.1	1,992.5
<b>Total</b>	<b>10,981.2</b>	<b>8,375.5</b>	<b>14.0</b>	<b>2,591.8</b>

2011 in T€	Carrying amount before valuation allowance 31.12.2011	Individual valuation allowance 31.12.2011	Collective valuation allowance 31.12.2011	Carrying amount after valuation allowance 31.12.2011
Overdue < 1 year	2,042.5	1,694.1	6.1	342.3
Overdue > 1 year	5,613.2	5,075.7	13.8	523.7
<b>Total</b>	<b>7,655.7</b>	<b>6,769.9</b>	<b>19.9</b>	<b>865.9</b>

## Financial liabilities – term structure

The following tables show the contractually agreed conditions and (undiscounted) interest and principal payments on the non-derivative financial liabilities held by the Flughafen Wien Group:

2012 in T€	Carrying amount 31.12.2012	Gross cash flows Total as of 31.12.2012	Cash flows			Interest rate <sup>1</sup>
			< 1 year	1-5 years	> 5 years	
Fixed-interest bank loans	467,817.5	694,018.4	27,583.5	189,936.6	476,498.3	4.49%
Variable interest bank loans	321,919.2	331,187.7	150,227.0	180,960.7	0.0	1.90%
Trade payables	69,583.7	69,583.7	69,583.7			n.a.
Other liabilities	50,505.1	50,505.1	47,040.3	3,464.8		n.a.
Finance lease liabilities	8,108.0	10,830.4	1,299.6	5,198.6	4,332.1	7.51%
Derivative liabilities	0.0	0.0	0.0	0.0	0.0	n.a.
<b>Total</b>	<b>917,933.5</b>	<b>1,156,125.3</b>	<b>295,734.2</b>	<b>379,560.6</b>	<b>480,830.4</b>	

1) Weighted average as of the balance sheet date, including any guarantee fees

2011 <sup>1</sup> in T€	Carrying amount 31.12.2011	Gross cash flows Total as of 31.12.2011	Cash flows			Interest rate <sup>2</sup>
			< 1 year	1-5 years	> 5 years	
Fixed-interest bank loans	471,426.3	701,719.2	28,464.9	162,464.9	510,789.4	4.48%
Variable interest bank loans	421,161.0	451,874.8	75,824.1	376,050.7		3.52%
Trade payables	92,531.6	92,531.6	92,531.6			n.a.
Other liabilities	48,509.4	48,509.4	34,116.6	14,392.9		n.a.
Finance lease liabilities	8,791.8	12,130.0	1,299.6	5,198.6	5,631.8	7.51%
Derivative liabilities	240.5	248.6	248.6	0.0	0.0	3.77%
<b>Total</b>	<b>1,042,660.6</b>	<b>1,307,013.7</b>	<b>232,485.4</b>	<b>558,107.0</b>	<b>516,421.2</b>	

1) Adjusted (other)

2) Weighted average as of the balance sheet date, including any guarantee fees

Of the total bank loans, T€ 639,285.7 (2011: T€ 700,000.0) are secured by guarantees in accordance with the respective contracts. These guarantors receive a fee for these commitments.

This listing includes all instruments held by the Group as of 31 December 2012 for which payments have been contractually agreed. The variable interest payments on financial instruments were based on the interest rates on 31 December 2012. Financial liabilities that can be repaid at any time are always allocated to the earliest repayment period.

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## Carrying amounts, amounts recognised and fair values by valuation category

2012 in T€	Valuation category	Carrying amount 31.12.2012	Nominal value = fair value
<b>ASSETS</b>			
Cash and cash equivalents	Cash reserve	40,439.0	40.439.0
Trade receivables	LaR	43,090.4	
Originated loans and other receivables	LaR	27,846.1	
Thereof fixed-interest securities	LaR	20,000.0	
Thereof receivables due from associated companies	LaR	465.0	
Thereof other receivables	LaR	6,660.7	
Thereof originated loans	LaR	720.3	
<b>Total</b>	<b>LaR</b>	<b>70,936.5</b>	
Other non-derivative financial assets			
Investments in other companies (not consolidated) <sup>1</sup>	AfS	157.3	
Available-for-sale securities	AfS	13,100.6	
Thereof long-term investment funds, securities and rights <sup>1</sup>	AfS	3,448.6	
Thereof short-term investment funds	AfS	0.0	
Thereof fixed-interest securities	AfS	9,652.0	
<b>Total</b>	<b>AfS</b>	<b>13,258.0</b>	
<b>LIABILITIES</b>			
Trade payables	FLAC	69,583.7	
Financial liabilities	FLAC	789,736.7	
Thereof non-current financial liabilities	FLAC	638,730.2	
Thereof current financial liabilities	FLAC	151,006.5	
Other non-current liabilities	FLAC	10,837.6	
Thereof non-current lease liabilities	FLAC	7,372.9	
Thereof miscellaneous non-current liabilities	FLAC	3,464.8	
Other current liabilities	FLAC	47,775.5	
Thereof current lease liabilities	FLAC	735.1	
Thereof miscellaneous current liabilities	FLAC	47,040.3	
<b>Total</b>	<b>FLAC</b>	<b>917,933.5</b>	
<b>DERIVATIVE FINANCIAL LIABILITIES</b>			
Derivatives with hedges	Hedging	0.0	

<sup>1</sup>) Fair value could not be reliably determined due to the lack of market values; for reasons of simplicity, these items are therefore carried at amortised cost.

Management assumes that – with the exception of the items listed below – the carrying amounts of financial assets and financial liabilities stated at cost generally reflect fair value.

Carrying amount as per IAS 39					
Amortised cost	Cost	Fair value not recognised in profit or loss	Fair value recognised in profit or loss	Fair value 31.12.2012	Notes
				40,439.0	(20)
43,090.4				43,090.4	(19)
27,846.1				30,215.7	
20,000.0				22,369.6	(18)
465.0				465.0	(19)
6,660.7				6,660.7	(19)
720.3				720.3	(16)
<b>70,936.5</b>				<b>73,306.1</b>	
0.0	157.3			157.3	(16)
	632.8	12,467.8		13,100.6	
	632.8	2,815.8		3,448.6	(16)
		0.0		0.0	(18)
		9,652.0		9,652.0	(18)
<b>0.0</b>	<b>790.2</b>	<b>12,467.8</b>		<b>13,258.0</b>	
69,583.7				69,583.7	(31)
789,736.7				744,627.6	(27)
638,730.2				593,621.1	(27)
151,006.5				151,006.5	(27)
10,837.6				13,970.5	(28)
7,372.9				10,505.7	(28)
3,464.8				3,464.8	(28)
47,775.5				48,087.8	(32)
735.1				1,047.5	(32)
47,040.3				47,040.3	(32)
<b>917,933.5</b>				<b>876,269.6</b>	
		0.0		0.0	(32)

**Abbreviations:**

LaR - Loans and receivables. AfS - available-for-sale financial instruments. HfT - Held-for-trading financial instruments  
 Hedging – hedging agreements. FLAC - financial liabilities measured at amortised cost.

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2011 <sup>1</sup> in T€	Valuation category	Carrying amount 31.12.2011	Nominal value = fair value
<b>ASSETS</b>			
Cash and cash equivalents	Cash reserve	111,330.0	111,330.0
Trade receivables	LaR	34,297.3	
Originated loans and other receivables	LaR	26,204.9	
Thereof fixed-interest securities	LaR	20,000.0	
Thereof receivables due from associated companies	LaR	77.8	
Thereof other receivables	LaR	4,800.9	
Thereof originated loans	LaR	1,326.1	
<b>Total</b>	<b>LaR</b>	<b>60,502.2</b>	
Other non-derivative financial assets			
Investments in other companies (not consolidated) <sup>2</sup>	AfS	192.3	
Available-for-sale securities	AfS	14,444.4	
Thereof long-term investment funds, securities and rights <sup>2</sup>	AfS	4,909.4	
Thereof short-term investment funds	AfS	0.0	
Thereof fixed-interest securities	AfS	9,535.0	
<b>Total</b>	<b>AfS</b>	<b>14,636.8</b>	
<b>LIABILITIES</b>			
Trade payables	FLAC	92,531.6	
Financial liabilities	FLAC	892,587.3	
Thereof non-current financial liabilities	FLAC	821,285.4	
Thereof current financial liabilities	FLAC	71,301.9	
Other non-current liabilities	FLAC	22,500.8	
Thereof non-current lease liabilities	FLAC	8,108.0	
Thereof miscellaneous non-current liabilities	FLAC	14,392.9	
Other current liabilities	FLAC	34,800.4	
Thereof current lease liabilities	FLAC	683.8	
Thereof miscellaneous current liabilities	FLAC	34,116.6	
<b>Total</b>	<b>FLAC</b>	<b>1,042,420.1</b>	
<b>DERIVATIVE FINANCIAL LIABILITIES</b>			
Derivatives with hedges	Hedging	240.5	

1) Adjusted

2) Fair value could not be reliably determined due to the lack of market values; for reasons of simplicity, these items are therefore carried at amortised cost.



## Carrying amount as per IAS 39

Amortised cost	Cost	Fair value not recognised in profit or loss	Fair value recognised in profit or loss	Fair value 31.12.2011	Notes
				<b>111,330.0</b>	(20)
34,297.3				34,297.3	(19)
26,204.9				27,893.9	
20,000.0				21,689.0	(18)
77.8				77.8	(19)
4,800.9				4,800.9	(19)
1,326.1				1,326.1	(16)
<b>60,502.2</b>				<b>62,191.2</b>	
0.0	192.3			192.3	(16)
	632.6	13,811.8		14,444.4	
	632.6	4,276.8		4,909.4	(16)
		0.0		0.0	(18)
		9,535.0		9,535.0	(18)
<b>0.0</b>	<b>825.0</b>	<b>13,811.8</b>		<b>14,636.8</b>	
92,531.6				92,531.6	(31)
892,587.3				885,642.3	(27)
821,285.4					(27)
71,301.9					(27)
22,500.8				24,369.8	(28)
8,108.0				9,976.9	(28)
14,392.9				14,392.9	(28)
34,800.4				34,958.0	(32)
683.8				841.4	(32)
34,116.6				34,116.6	(32)
<b>1,042,420.1</b>				<b>1,037,501.7</b>	
		240.5		240.5	(32)

## Abbreviations:

LaR - Loans and receivables. AfS - available-for-sale financial instruments. HfT - Held-for-trading financial instruments  
 Hedging - hedging agreements. FLAC - financial liabilities measured at amortised cost.

&gt;

Trade receivables, originated loans and other receivables generally have short remaining terms. Therefore, the carrying amounts of these items approximate fair value as of the balance sheet date.

Non-consolidated investments in other companies that are classified as available-for-sale financial assets (AfS) represent unlisted equity instruments whose fair value cannot be reliably determined. These instruments are consequently measured at cost or amortised cost.

Trade payables and other liabilities normally have short remaining terms, and the carrying amounts of these items approximate fair value as of the balance sheet date.

The fair values of financial liabilities due to financial institutions (bank loans) and other financial liabilities are generally determined using the present value of the payments for these obligations in accordance with the yield curve applicable to the respective remaining terms and a credit spread appropriate for Flughafen Wien Group.

## **Valuation methods and assumptions for the determination of fair value**

The fair value of financial assets and financial liabilities is determined as follows (valuation categories as defined in IFRS 7.27A letters a-c):

### **Level 1**

The market price represents the fair value for financial assets and financial liabilities that are traded on active liquid markets at standardised terms and conditions. This method is also applied to listed redeemable obligations, promissory notes and perpetual bonds. The fair value of securities classified under Level 1 equals the market price (securities exchange price) on the respective balance sheet date.

### **Level 2**

The securities (investment funds) and similar rights classified under this level are not listed directly, but consist solely of stocks and bonds that are traded on public exchanges. The fair value of these items is derived from the market value of the listed stocks and bonds.

### **Level 3**

The fair value of the other financial assets and financial liabilities (with the exception of derivatives) is determined by applying recognised valuation models that rely on current market parameters.

The fair value of derivatives (interest rate swaps) represents the amount the Group would receive or be required to pay if the financial instrument were settled as of the balance sheet date.

This procedure involves discounting the relevant cash flows – that were defined at an earlier point in time or determined by applying the current interest rate curve through forward rates – back to the balance sheet date using the discount rates derived from the applicable interest rate curve.

## Analysis of financial instruments carried at fair value

The following section provides an overview of financial instruments that are measured at fair value after initial recognition. These financial instruments are classified in three levels of disclosure that reflect the significance of the factors used for measurement.

	Level 1 Market prices	Level 2 Derived prices	Level 3 Non-derived prices	31.12.2012 Total
<b>ASSETS</b>				
<b>Financial assets carried at fair value</b>				
Available-for-sale securities	10,038.2	2,429.6	0.0	12,467.8
<b>Available-for-sale financial assets – total</b>	<b>10,038.2</b>	<b>2,429.6</b>	<b>0.0</b>	<b>12,467.8</b>
<b>LIABILITIES</b>				
<b>Financial liabilities at fair value</b>				
Derivatives with hedges	0.0	0.0	0.0	0.0
<b>Total derivatives</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>ASSETS</b>				
<b>Financial assets carried at fair value</b>				
Available-for-sale securities	9,891.1	3,920.7	0.0	13,811.8
<b>Available-for-sale financial assets – total</b>	<b>9,891.1</b>	<b>3,920.7</b>	<b>0.0</b>	<b>13,811.8</b>
<b>LIABILITIES</b>				
<b>Financial liabilities at fair value</b>				
Derivatives with hedges	0.0	240.5	0.0	240.5
<b>Total derivatives</b>	<b>0.0</b>	<b>240.5</b>	<b>0.0</b>	<b>240.5</b>

No items were reclassified between Levels 1 and 2 during the reporting year.

## Net results by valuation category

2012 in T€	From interest income / dividends	From interest expense
Cash reserves	2,103.9	
Loans and receivables (LaR)	1,432.1	-18.9
Available-for-sale financial assets	1,494.1	
Financial instruments held for trading		
Financial liabilities at amortised cost (FLAC)		-24,888.1
Hedging		-292.8
<b>Total</b>	<b>5,030.1</b>	<b>-25,199.7</b>

2011 <sup>1</sup> in T€	From interest income / dividends	From interest expense
Cash reserves	1,919.5	
Loans and receivables (LaR)	2,065.0	-89.1
Available-for-sale financial assets	787.3	
Financial instruments held for trading		
Financial liabilities at amortised cost (FLAC)		-13,262.6
Hedging		-251.7
<b>Total</b>	<b>4,771.7</b>	<b>-13,603.3</b>

1) Adjusted

The interest received on financial instruments is included under net financing costs. The other components of net results are recorded under other financial results, with the exception of the valuation allowances to trade and other receivables that are classified under loans and receivables. These valuation allowances are shown under other operating expenses.

Results from the subsequent measurement of financial instruments that are classified as held-for-trading also include interest rate and fair value measurement effects.

Net financing costs of T€ 24,888.1 (2011: T€ 13,262.6) for financial liabilities measured at amortised cost consist primarily of interest expense on bank loans. This item also includes the interest added to and discounted from other financial liabilities.

In connection with the recording of changes in the fair value of available-for-sale financial assets without recognition to profit or loss, valuation gains of plus T€ 171.2 (2011: net valuation loss of minus T€ 174.3) were recognised in other comprehensive income.

## From subsequent measurement

At fair value through profit or loss	At fair value not through profit or loss	Foreign currency translation	Impairment	From derecognition	Net results 2012
		1.9			1.9
		0.0	-1,875.2		-1,875.2
0.0	171.2			112.3	283.5
					0.0
					0.0
				180.4	180.4
0.0	171.2	1.9	-1,875.2	292.7	-1,409.5

## From subsequent measurement

At fair value through profit or loss	At fair value not through profit or loss	Foreign currency translation	Impairment	From derecognition	Net results 2011
		0.3			0.3
		1.0	-1,023.1		-1,022.2
0.0	-174.3			1,770.6	1,596.4
					0.0
					0.0
	216.9				216.9
0.0	42.6	1.3	-1,023.1	1,770.6	791.4

## › (35) Derivative financial instruments

### Interest rate swaps

In 2007 Flughafen Wien AG concluded an interest rate swap (pay fixed – receive variable) to hedge the risk of cash flows related to a variable interest financial liability. The variable interest financial liability was designated as the hedged item at an amount reflecting the nominal value of the interest rate swap. Changes in the cash flows of the hedged item, which result from changes in the variable interest rate, are offset by the changes in the cash flows of the interest rate swap. This hedging is designed to transform a variable interest bank loan into a fixed-interest financial liability, and thereby hedge the cash flow related to the financial liability. The Flughafen Wien Group does not use hedges to offset credit risks.

Structured interest rate swaps	31.12.2012	31.12.2011
Nominal value in T€	0.00	10,000.0
Fair value	0.00	-240.5
Average interest rate received	n.a.	1.14 %
Average interest rate paid	n.a.	3.76 %
Remaining term in years	0.00	0.9

This calculation reflects market date as of the valuation date and is based on generally accepted valuation models (Black-Scholes, Heath-Jarrow-Morton). The average variable interest rates, which could be subject to significant changes during the term of the swap, reflect the interest rates in effect as of the balance sheet date.

The recognition of the change in the fair value of the hedging instrument resulted in the recording of a € 162.7 gain under other comprehensive income (hedging reserve) in 2011.

The accumulated gains and losses recorded under other comprehensive income were transferred to the income statement when the interest rate swap expired in November 2012.

## › (36) Risk management

### Financial risks

The financial assets, liabilities and planned transactions of the Flughafen Wien Group are exposed to a variety of market risks that include the risks resulting from changes in interest rates, exchange rates and stock market prices. The goal of financial risk management is to limit these market risks through the continuous optimisation of operating and financial activities. The measures to achieve these objectives are contingent on the expected risk, and include the selected use of derivative and non-derivative hedging instruments. Hedging generally involves only those risks that could influence the Group's cash flows. Derivative financial instruments are used exclusively for hedging purposes, and never for trading or other speculative reasons. In order to minimise credit risk, hedges are principally concluded with leading financial institutions that have a first-class credit rating.

The basic principles of the Group's financial policy are defined each year by the Management Board, and monitored by the Supervisory Board. The Group treasury department is responsible for the implementation of financial policy and on-going risk management. Certain transactions require the prior approval of the business unit manager and, if specific limits are exceeded, the approval of the Management Board, which is also provided with regular information on the scope and volume of the Group's current risk exposure. The treasury department views the effective management of liquidity risk and market risk as one of its primary duties.

### Liquidity risk

The objective of liquidity management is to ensure that the Group is able to meet its payment obligations at all times. Liquidity management is based on short-term and long-term liquidity forecasts, which are subject to variance analyses and adjusted if necessary. The Group's operating segments provide the treasury department with information that is used to develop a liquidity profile, and the active management of payment flows is used to optimise net financing costs. Certain components of financial investments are held in the form of securities (investment funds, bonds) that serve as a liquidity reserve and can generally be sold at any time.

Additional quantitative information is provided under note 34.

## Credit risk

The Flughafen Wien Group is exposed to risks arising from its business operations as well as the risk of default that is connected with certain investment and financing activities. In the investment and financing area, transactions are concluded almost exclusively with partners that have at least an "A" credit rating (S&P, Moody's). Contract partners that are not rated by these agencies must have an excellent credit standing. The Group only acquires shares in investment funds that are directed by recognised international asset management companies. In the operating business, outstanding receivables are monitored continuously on a centralised basis. The risk resulting from default is minimised by short payment periods, agreements for the provision of collateral such as deposits or bank guarantees, and the increased use of direct debit and automatic collection procedures. The risk of default is countered by individual and collective valuation allowances. The credit risk associated with receivables can generally be considered low, since the majority of receivables are due and payable within a short period of time and are based on long-term relationships with customers.

The carrying amount of financial assets (including derivative financial instruments with a positive market value) represents the maximum default and credit risk, since there were no major agreements (e.g. settlement agreements) as of 31 December 2012 that would reduce the maximum risk of default.

Additional quantitative information is provided under note 34. Information on other financial obligations and risks is included in note 38.

## Interest rate risk

Interest rate risk represents the risk that the fair value or the future payment flows generated by a financial instrument could fluctuate because of changes in interest rate levels. Interest rate risk includes the present value risk on fixed interest financial instruments as well as the risk associated with cash flows from variable interest financial instruments, and is related above all to long-term financial instruments. These longer terms are less important in the operating area, but can be material for financial assets, securities and financial liabilities.

The Flughafen Wien Group is exposed to interest rate risk mainly in the euro zone. In accordance with the current and forecasted debt structure, the treasury department selectively used interest rate derivatives in the past to adjust the interest rates on financial liabilities to meet the composition defined by management and thereby reduce the potential impact of interest rate fluctuations.

In order to depict market risks, IFRS 7 requires the disclosure of sensitivity analyses that demonstrate the effects of hypothetical changes in relevant risk variables on earnings and equity. The Flughafen Wien Group is not only exposed to interest rate risks, but also to foreign exchange risks and price risks arising from investments in other companies. The periodic effects are determined by evaluating the hypothetical changes in risk variables on financial instruments as of the balance sheet date for the financial statements. This procedure assumes that the amount determined as of this date is representative of the entire year.

Interest rate risks are presented in the form of sensitivity analyses as required by IFRS 7. These analyses show the effects of changes in interest rate levels on financing costs, interest income and expenses as well as other components of earnings and equity. >

The interest rate sensitivity analyses are based on the following assumptions:

- › Changes in the interest rates of non-derivative financial instruments with fixed-interest rates only affect earnings that are measured at fair value. Therefore, fixed-interest financial instruments carried at amortised cost are not exposed to interest rate risk as defined in IFRS 7.
- › Changes in the interest rates of financial instruments that serve as cash flow hedges to provide protection against interest-related fluctuations in payments have an effect on the hedging reserve in equity, and are therefore included in the relevant equity-related sensitivity calculations.
- › Changes in interest rates have an impact on the financing cost of non-derivative variable interest financial instruments if the related interest payments are not designated as the underlying financial instrument for a cash flow hedge. In such cases, they are included in the sensitivity calculations for earnings.
- › Changes in the interest rates of interest rate derivatives (interest rate swaps) that are not included in a hedge as defined in IAS 39 have an effect on other financial results (valuation adjustments concerning financial assets to reflect fair value) and are therefore included in the sensitivity calculations for earnings.

If market interest rates had been 100 basis points higher/lower as of 31 December 2012, earnings would have been T€ 1,489.8 lower/higher (2011: T€ 2,271.0 higher/lower). The theoretical impact of T€ 1,489.8 (2011: T€ 2,271.0) on earnings results from the potential effect of variable interest securities and financial liabilities. If market interest rates had been 100 basis points higher/lower on 31 December 2012, equity – including tax effects – would have been T€ 1,117.4 lower/higher (2011: T€ 1,703.3 higher/lower). This analysis assumes that other factors, e.g. foreign exchange rates, will remain constant.

### **Foreign exchange risk**

Foreign exchange risks arise in connection with financial instruments that are denominated in a currency other than the functional currency of the group company for which they are measured. For the purposes of IFRS, there is no foreign exchange risk on financial instruments that are denominated in the functional currency. Differences resulting from the translation of financial statements from a foreign currency into the Group currency are not affected by the provisions of IFRS 7.

The Flughafen Wien Group is exposed to foreign exchange risks in connection with investments, financing measures and operating activities. Foreign exchange risks in the investment area arise primarily in connection with the purchase and sale of stakes in foreign companies. As of the balance sheet date for the 2012 financial statements, the Group was not exposed to any material risks from transactions denominated in a foreign currency.

Foreign exchange risks in the financing area are related to financial liabilities that are denominated in foreign currencies as well as foreign currency loans that were concluded as financing for Group companies. The Flughafen Wien Group was not exposed to any material foreign exchange risks in the financing area as of 31 December 2012.



The individual Group companies carry out their business activities almost entirely in their relevant functional currency (euro), which is generally the same as the reporting currency of the Flughafen Wien Group. For this reason, the Group's foreign exchange risk in the operating area is considered to be low.

In accordance with IFRS 7, foreign exchange risks are generally presented in the form of a sensitivity analysis. The relevant risk variables are generally non-functional currencies in which the Group holds financial instruments. The foreign exchange sensitivity analysis is based on the following assumptions:

The major non-derivative monetary financial instruments – which include receivables, interest-bearing securities and debt instruments, cash and cash equivalents, and interest-bearing liabilities – are denominated primarily in the functional currency. Therefore, changes in foreign exchange rates have no material effect on earnings or equity.

Interest income from and expenses for financial instruments are recognised primarily in the functional currency. As a result, changes in the foreign exchange rates relating to these items have no effect on earnings or equity.

In summary, the risks to the Flughafen Wien Group arising from changes in foreign exchange rates were considered to be immaterial as of the closing date for the 2012 financial statements.

### **Other price risks**

In connection with the analysis of market risks, IFRS 7 also requires the disclosure of information on the effects of hypothetical changes in risk variables on the price of financial instruments. The relevant risk variables include, above all, stock market prices or indexes. As of 31 December 2012 and 2011, the Flughafen Wien Group held no investments that would be categorised as available for sale – with the exception of shares in subsidiaries not included in the consolidation.

### **Capital management**

Financial management in the Flughafen Wien Group is designed to support a sustainable increase in the value of the company and also maintain a capital structure that will ensure an excellent credit rating.

Gearing represents the most important indicator for financial management. It is defined as the ratio of net financial liabilities (non-current and current financial liabilities less liquid funds and current securities) to equity as shown on the consolidated balance sheet. The main instruments used for managing gearing are an increase or decrease in financial liabilities as well as the strengthening of the equity base through the retention of earnings or the adjustment of dividend payments. Management has not defined a specific target for gearing, but has set a limit of 60% (2011: 66%) for the debt ratio over the medium-term. This goal remains unchanged from the previous year. The following table shows the development of gearing:

in T€	2012	2011
Financial liabilities	789,736.7	892,587.3
– Liquid funds	-40,439.0	-111,330.0
– Current securities	-29,652.0	-29,535.0
<b>= Net financial liabilities</b>	<b>719,645.7</b>	<b>751,722.3</b>
./. Carrying amount of equity	851,578.4	811,423.9
<b>= Gearing</b>	<b>84.5%</b>	<b>92.6 %</b>

Gearing was lower in year-on-year comparison, above all due to the repayment of € 102.8 million in borrowings (2011: increase of € 98.3 million). The reduction in borrowings was accompanied by a decrease of € 70.9 million (2011: increase of € 47.7 million) in cash and cash equivalents.

Neither Flughafen Wien AG nor its subsidiaries are subject to minimum capital requirements defined by external sources.

## › (37) Operating leases

### Flughafen Wien as the lessor:

The following table shows the lease payments arising from non-cancellable rental and lease contracts in which the Flughafen Wien Group serves as the lessor. In particular, the related objects represent operating and commercial buildings at Vienna Airport (including investment property).

in T€	2012	2011
Lease payments recognised as income of the reporting period	131,937.2	118,420.4
Thereof conditional payments from revenue-based rents	7,899.0	8,576.0

Future minimum lease payments:		
Up to one year	53,332.7	58,711.9
Over one and up to five years	137,215.6	41,186.1
Over five years	71,726.9	109,162.7

### Flughafen Wien as the lessee:

Major non-cancellable leases in which the Flughafen Wien Group serves as the lessee have been concluded with HERMIONE Raiffeisen-Immobilien-Leasing GmbH for the rental of operating buildings at Vienna International Airport and with SITA Information Networking Computing Inc., USA, for the rental of operating equipment and furnishings, including operating software, for the check-in counters in the terminals. The following table shows the lease payments arising from these contracts:

in T€	2012	2011
Lease payments recognised as expense of the reporting period	9,527.2	8,676.1
Thereof conditional payments from expense-based rents	1,855.3	2,022.6

Future minimum lease payments:		
Up to one year	8,733.4	8,761.8
Over one and up to five years	33,139.6	33,200.2
Over five years	39,301.3	52,044.3

The conditional lease payments recognised as expenses during the reporting period are linked to a fixed reference interest rate (six-month EURIBOR).

### › (38) Other obligations and risks

Flughafen Wien AG is required to assume the costs of the "Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung" (the employee foundation), which consist primarily of corporate income tax, in the form of subsequent contributions.

In accordance with § 7 (4) of the charter of the Schwechat Waste Water Association dated 10 December 2003, Flughafen Wien AG is liable as a member of this organisation for T€ 3,435.7 (2011: T€ 3,878.4) of loans related to the construction and expansion of sewage treatment facilities.

The Malta Mediterranean Link Consortium Group (MMLC) entered into a loan with a term ending in mid-2018 and an outstanding balance of € 11.1 million as of 31 December 2012 (2011: € 13.2 million). Flughafen Wien AG has agreed not to sell its investment in MMLC during the term of this loan. Furthermore, Flughafen Wien AG has confirmed the following to the lending institution: all necessary steps will be undertaken to ensure that the group's investments maintain a healthy financial position at all times; the corporate policies of Flughafen Wien AG include the fulfilment of financial obligations by MMLC at all times; and MMLC will be equipped with a financial basis that enables the company to meet its obligations at any time.

Information on commitments for pension and pension subsidy payments is provided under note 26.

As of 31 December 2012, obligations for the purchase of intangible assets amounted to € 1.2 million (2011: € 2.8 million) and obligations for the purchase of property, plant and equipment to € 68.9 million (2011: € 112.0 million).

### › (39) Information on business transactions with related companies and persons

Related companies include subsidiaries, non-consolidated subsidiaries of the Flughafen Wien Group, associated companies, the shareholders of Flughafen Wien AG (the province of Lower Austria and the city of Vienna each hold 20% of the shares) and their major subsidiaries as well as the members of management in key positions. The Flughafen Wien Group maintains business relations with companies in which the province of Lower Austria and/or the city of Vienna hold direct or indirect investments; these entities are also >

classified as related companies in the sense of IAS 24. Transactions with these companies are carried out at arm's length. The transactions carried out in 2012 in the sense of IAS 24 involve everyday transactions related to the operating business and were not material in total. Purchases are made at ordinary market prices less standard volume rebates or other rebates granted on the basis of the business relationship.

The business relationships between Flughafen Wien AG and non-consolidated subsidiaries are immaterial. Information on the receivables and liabilities due from/to related companies and persons is provided under the relevant position in the notes. The services provided by non-consolidated subsidiaries led to expenses of T€ 7,408.4 (2011: T€ 6,092.0).

In 2012 the Flughafen Wien Group recorded revenue of T€ 962.9 (2011: T€ 948.4) with the joint venture City Air Terminal Betriebsgesellschaft m.b.H., T€ 643.4 (2011: T€ 676.6) with the associated company Schedule Coordination Austria GmbH and T€ 734.5 (2011: T€ 789.3) with the joint venture Malta International Airport plc. The revenue recorded from transactions with City Air Terminal Betriebsgesellschaft.m.b.H consists chiefly of services provided by Flughafen Wien AG and its subsidiaries for railway operations (baggage handling, station operations, IT services etc.). The revenue generated by Schedule Coordination Austria GmbH represents charges by Flughafen Wien AG for the provision of personnel as well as IT and other services. The revenue recorded with the joint venture Malta International Airport plc. is generated primarily by consulting services.

As of 31 December 2012, receivables and originated loans due from joint ventures recorded at equity amounted to T€ 27.9 (2011: T€ 23.5). The comparable amount for associated companies recorded at equity was T€ 33.3 (2011: T€ 48.3).

As of 31 December 2012, liabilities to joint ventures recorded at equity totalled T€ 6,655.8 (2011: T€ 4,882.7) and liabilities to associated companies recorded at equity equalled T€ 31.3 (2011: T€ 13.4).

#### Natural related parties:

No material transactions were conducted in 2012 between the Flughafen Wien Group and persons in key management positions or their close family members. Relations with bodies of the company are described under note 40.

### › (40) Information on corporate bodies and employees

The following table shows the average number of employees in FWAG:

Employees (excluding Management Board and managing directors)	2012	2011
Workers	3,301	3,314
Staff	1,174	1,211
	4,475	4,525

The members of the Management Board of Flughafen Wien AG received the following remuneration for the 2012 and 2011 financial years:

### › Management Board remuneration in 2012 (payments)<sup>1</sup>

in T€	Fixed compensation	Performance based compensation for 2011	Non-cash remuneration	Termination benefits	Total remuneration
Günther Ofner	252.7	80.8	7.2	0.0	340.8
Julian Jäger	252.7	80.8	7.1	0.0	340.7
	505.5	161.6	14.3	0.0	681.5

1) Excluding payments to pension funds

### › Management Board remuneration in 2011 (payments)

in T€	Fixed compensation	Performance based compensation for 2010	Non-cash remuneration	Termination benefits	Total remuneration
Gerhard Schmid	256.7	84.8	7.5	323.2	672.1
Ernest Gabmann	256.7	84.8	7.2	50.7	399.3
Christoph Herbst	166.6	0.0	0.0	0.0	166.6
Günther Ofner	80.6	0.0	2.3	0.0	82.9
Julian Jäger	80.6	0.0	2.3	0.0	82.9
	841.2	169.5	19.3	373.9	1,403.9

The remuneration system for the members of the Management Board and first level of management is comprised of fixed and performance-based components. The performance-based remuneration represents bonuses for the 2011 financial year that were paid out during 2012. There are no stock option plans for management.

On behalf of Julian Jäger and Günther Ofner, the company makes payments equalling 15% of the respective salary to a pension fund. The contribution for each board member amounted to T€ 44.6 in 2012 (2011: T€ 12.1).

For other employees, exceptional performance and the realisation of targeted goals are rewarded in the form of bonuses.

Remuneration paid to former members of the Management Board amounted to T€ 1,169.4 (2011: T€ 1,450.8).

## Expenses for persons in key management positions

Key management includes the members of the Management Board, the authorised officers of Flughafen Wien AG and the members of the Supervisory Board of Flughafen Wien AG. The following table shows the remuneration paid to these persons in 2012 and 2011, including the changes in provisions:

### › Expenses in 2012

in T€	Supervisory Board	Management Board	Key employees
Current payments	121.0	1,025.3	2,294.7
Post-employment benefits	0.0	89.2	33.2
Other long-term benefits	0.0	0.0	18.9
Termination benefits	0.0	0.0	82.9
<b>Total</b>	<b>121.0</b>	<b>1,114.6</b>	<b>2,429.6</b>

### › Expenses in 2011

in T€	Supervisory Board	Management Board	Key employees
Current payments	136.1	1,362.9	2,009.8
Post-employment benefits	0.0	25.4	24.2
Other long-term benefits	0.0	3.2	9.2
Termination benefits	0.0	165.4	521.1
<b>Total</b>	<b>136.1</b>	<b>1,557.0</b>	<b>2,564.3</b>

Payments of T€ 107.8 were made to the members of the Supervisory Board in 2012 (2011: T€ 141.1).

### › (41) Significant events occurring after the balance sheet date

The EIB credit agreement defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of € 400.0 million. New offers for the acceptance of € 400.0 million in guarantees have been obtained. The EIB has already confirmed the new guarantors and the committed guarantee amounts.

All other events occurring after the balance sheet date that are important for valuation and measurement as of 31 December 2012 – such as outstanding legal proceedings or claims for damages and other obligations or impending losses that must be recognised or disclosed in accordance with IAS 10 – are included in these consolidated financial statements or are not known.

Schwechat, 26 February 2013

#### The Management Board:



**Günther Ofner**  
Member, CFO



**Julian Jäger**  
Member, COO

## Subsidiaries of Flughafen Wien AG

Company	Abbreviation	Parent company	Country	Share owned by the Group	Type of consolidation
Flughafen Wien AG	VIE		Austria		VK
Flughafen Wien Immobilienverwertungsgesellschaft m.b.H.	IVW	VIE	Austria	100.0%	VK
Flugplatz Vöslau BetriebsGmbH	LOAV	VAH	Austria	100.0%	VK
Mazur Parkplatz GmbH	MAZU	VIEL	Austria	100.0%	VK
VIE International Beteiligungsmangement Gesellschaft m.b.H.	VINT	VIAB	Austria	100.0%	VK
VIE Liegenschaftsbeteiligungsgesellschaft m.b.H.	VIEL	VIE	Austria	100.0%	VK
VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H.	VOPE	VIEL	Austria	100.0%	VK
Vienna Aircraft Handling Gesellschaft m.b.H.	VAH	VIE	Austria	100.0%	VK
Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H.	BPIB	VIEL	Austria	100.0%	VK
Vienna Airport Infrastruktur Maintenance GmbH	VAI	VIE	Austria	100.0%	VK
Vienna International Airport Beteiligungsholding GmbH	VIAB	VIE	Austria	100.0%	VK
Vienna International Airport Security Services Ges.m.b.H.	VIAS	VIE	Austria	100.0%	VK
VIE Office Park 3 BetriebsGmbH	VWTC	VIEL	Austria	100.0%	VK
BTS Holding, a.s. "v likvidácii"	BTSH	VIE	Slovakia	80.95%	VK
KSC Holding, a.s.	KSCH	VIE	Slovakia	100.0%	VK
VIE (Malta) Limited	VIE Malta	VINT	Malta	100.0%	VK
VIE Malta Finance Holding Ltd.	VIE MFH	VIE	Malta	100.0%	VK
VIE Malta Finance Ltd.	VIE MF	VIE MFH	Malta	100.0%	VK
VIE Operations Holding Limited	VIE OPH	VINT	Malta	100.0%	VK
VIE Operations Limited	VIE OP	VIE OPH	Malta	100.0%	VK



Company	Abbreviation	Parent company	Country	Share owned by the Group	Type of consolidation
VIE ÖBA GmbH	OEBA	VIE	Austria	100.0%	VK
Vienna Auslands Projektentwicklung und Beteiligung GmbH	VAPB	VIE	Austria	100.0%	VK
City Air Terminal Betriebsgesellschaft m.b.H.	CAT	VIE	Austria	50.1%	EQ
SCA Schedule Coordination Austria GmbH	SCA	VIE	Austria	49.0%	EQ
Flughafen Friedrichshafen GmbH	FDH	VINT	Germany	25.15%	EQ
Letisko Košice – Airport Košice, a.s.	KSC	KSCH	Slovakia	66.0%	EQ
Malta International Airport p.l.c.	MIA	VIE Malta	Malta	33.0%	EQ
Malta Mediterranean Link Consortium Limited (Teilkonzern mit Malta International Airport p.l.c.)	MMLC	VIE Malta	Malta	57.1%	EQ
Columinis Holding GmbH in Liquidation	CMS	VAPB	Austria	50.0%	EQ
GetService Dienstleistungsgesellschaft m.b.H.	GETS	VIAS	Austria	100.0%	NK
"GetService"-Flughafen-Sicherheits- und Servicedienst GmbH	GET2	VIAS	Austria	51.0%	NK
Salzburger Flughafen Sicherheitsgesellschaft m.b.H.	SFS	VIAS	Austria	100.0%	NK
VIE Shops Entwicklungs- und Betriebsges.m.b.H.	SHOP	VIE	Austria	100.0%	NK

Type of consolidation:  
VK = full consolidation  
EQ = equity method  
NK = not consolidated for reasons of immateriality

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# Investments of Flughafen Wien AG

All amounts were determined in accordance with national law, unless IFRS data were available.

## › 1. Subsidiaries full consolidated in the Group financial statements

### › Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)

<b>Headquarters:</b>	Schwechat
<b>Share owned:</b>	100% VIE

The commercial leasing of assets, in particular real estate, as well as the acquisition of property and buildings at Vienna International Airport.

IFRS values in T€	2012	2011
Assets	107,647.8	105,186.0
Liabilities	18,148.2	24,345.6
Equity	89,499.6	80,840.5
Revenue	16,661.0	16,118.4
Net profit for the period	10,639.1	1,486.1

### › Flugplatz Vöslau BetriebsGmbH (LOAV)

<b>Headquarters:</b>	Bad Vöslau
<b>Share owned:</b>	100% VAH

Operation and development of Vöslau Airport as well as the planning, construction and operation of buildings and equipment.

IFRS values in T€	2012	2011
Assets	1,652.0	1,546.1
Liabilities	548.2	368.5
Equity	1,103.8	1,177.6
Revenue	889.4	843.1
Loss for the period	-78.3	-4,350.4

### › Mazur Parkplatz GmbH (MAZU)

<b>Headquarters:</b>	Schwechat
<b>Share owned:</b>	100% VIEL

Operation of the Mazur car park and parking facilities

IFRS values in T€	2012	2011
Assets	6,103.8	5,760.2
Liabilities	377.3	300.8
Equity	5,726.5	5,459.4
Revenue	2,434.6	2,190.7
Net profit for the period	1,369.4	1,097.1

### › VIE International Beteiligungsmanagement Gesellschaft m.b.H. (VINT)

<b>Headquarters:</b>	Schwechat
<b>Share owned:</b>	100% VIAB

Founding and management of local project companies for international acquisitions; consulting and project management.

IFRS values in T€	2012	2011
Assets	44,925.3	44,697.0
Liabilities	6,806.2	7,067.6
Equity	38,119.1	37,629.4
Revenue	776.1	335.7
Net profit/loss for the period	489.7	-18,919.8

### › VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)

<b>Headquarters:</b>	Schwechat
<b>Share owned:</b>	100% VIE

Holding company for the BPIB, VOPE, MAZUR and VWTC subsidiaries, which are active in the purchase, development and marketing of property under their ownership.

IFRS values in T€	2012	2011
Assets	31,267.4	58,051.6
Liabilities	6,304.0	6,698.0
Equity	24,963.4	51,353.6
Revenue	0.0	0.0
Loss/net profit for the period	-24,990.2	1,671.3

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### › VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H. (VOPE)

**Headquarters:** Schwechat

**Share owned:** 100% VIEL

Development of real estate, in particular the Office Park 2.

IFRS values in T€	2012	2011
Assets	42,837.8	43,787.0
Liabilities	23,511.6	24,763.8
Equity	19,326.2	19,023.2
Revenue	3,367.8	3,150.2
Net profit for the period	1,303.0	996.9

### › Vienna Aircraft Handling Gesellschaft m.b.H. (VAH)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Provision of a full range of services for general aviation and, in particular, for business aviation; major revenue generators are private aircraft handling and aircraft handling services provided on behalf of Flughafen Wien AG in the general aviation sector (incl. fuelling and the provision of hangar space).

IFRS values in T€	2012	2011
Assets	7,287.7	7,227.9
Liabilities	1,128.3	1,112.2
Equity	6,159.5	6,115.7
Revenue	12,133.0	11,733.2
Net profit for the period	1,582.8	1,709.5

### › Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H. (BPIB)

**Headquarters:** Schwechat

**Share owned:** 99% VIEL 1% IVW

Purchase and marketing of property.

IFRS values in T€	2012	2011
Assets	11,719.0	9,648.4
Liabilities	9,370.6	7,902.0
Equity	2,348.4	1,746.3
Revenue	9,035.1	8,207.4
Net profit/loss for the period	602.1	-4,290.5

### › Vienna Airport Infrastruktur Maintenance GmbH (VAI)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Provision of services for electrical facilities and equipment as well as the construction of electrical and supply facilities, in particular technical equipment for airports, and the installation of electrical infrastructure.

IFRS values in T€	2012	2011
Assets	5,961.2	4,440.4
Liabilities	3,291.2	1,878.7
Equity	2,670.0	2,561.7
Revenue	15,218.4	12,765.2
Net profit for the period	1,258.7	1,160.5

### › Vienna International Airport Beteiligungsholding GmbH (VIAB)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Acquisition and investment in international subsidiaries and other companies; participation in international airport privatisation programmes; this company serves as the holding company for the VINT subsidiary.

IFRS values in T€	2012	2011
Assets	59,791.8	59,700.1
Liabilities	2,157.4	2,103.5
Equity	57,634.4	57,596.5
Revenue	0.0	0.0
Net profit for the period	37.8	49.1

### › Vienna International Airport Security Services Ges.m.b.H. (VIAS)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Provision of security services (persons and hand luggage) on behalf of the Austrian Ministry of the Interior, and various other services for aviation customers (wheelchair transport, control of oversize baggage, document control etc.); the company also participates in tenders for the provision of security services at other airports through its Austrian and foreign subsidiaries.

IFRS values in T€	2012	2011
Assets	25,405.5	18,368.5
Liabilities	12,926.9	10,243.3
Equity	12,478.6	8,125.1
Revenue	47,200.6	39,238.3
Net profit/loss for the period	4,786.8	-150.2

### › VIE Office Park 3 BetriebsGmbH (VWTC)

**Headquarters:** Schwechat

**Share owned:** 99% VIEL 1% BPIB

Rental and development of real estate, in particular the Office Park 3.

IFRS values in T€	2012	2011
Assets	9,057.9	10,241.2
Liabilities	7,300.4	5,240.5
Equity	1,757.5	5,000.7
Revenue	2,352.0	2,741.6
Loss for the period	-3,243.2	-15,523.7

### › BTS Holding a.s. "v likvidácii" (BTSH)

**Headquarters:** Bratislava. Slovakia

**Share owned:** 47.7% VIE 33.25% VINT

Provision of services and consulting for airports; plans also call for the company to hold the intended investment in Bratislava Airport.

IFRS values in T€	2012	2011
Assets	3,709.0	1,264.1
Liabilities	308.5	160.1
Equity	3,400.5	1,104.1
Revenue	0.0	0.0
Net profit/loss for the period	2,296.4	-117.9

### › KSC Holding a.s. (KSCH)

**Headquarters:** Bratislava. Slovakia

**Share owned:** 47.7% VIE 52.30% VINT

Holding company for the 66% investment in Košice Airport as well as the provision of consulting services.

IFRS values in T€	2012	2011
Assets	34,030.2	33,137.1
Liabilities	3,977.5	3,986.1
Equity	30,052.7	29,151.0
Revenue	0.0	0.0
Net profit/loss for the period	901.7	-13,143.0

### › VIE (Malta) Limited (VIE Malta)

**Headquarters:** Luqa, Malta

**Share owned:** 99.8% VINT 0.2% VIAB

Provision of services and consulting for airports; the financial statements of VIE (Malta) Limited include the at-equity valuation of the subgroup financial statements of Malta Mediterranean Link Consortium Ltd. and Malta International Airport plc.

IFRS values in T€	2012	2011
Assets	53,357.5	51,202.8
Liabilities	13,701.2	14,994.5
Equity	39,656.4	36,208.3
Revenue	0.0	2.0
Net profit for the period	3,748.1	3,469.4

### › VIE Malta Finance Holding Ltd. (VIE MFH)

**Headquarters:** Luqa, Malta

**Share owned:** 99.95% VIE 0.05% VIAB

Holding company for the subsidiary VIE Malta Finance Ltd.

IFRS values in T€	2012	2011
Assets	7,975.1	994.6
Liabilities	16.3	44.3
Equity	7,958.9	950.3
Revenue	0.0	0.0
Net profit/loss for the period	7,008.6	-28.6

### › VIE Malta Finance Ltd. (VIE MF)

**Headquarters:** Luqa, Malta

**Share owned:** 99.95% VIE MFH 0.05% VIAB

Purchase and sale, investment and trading in financial instruments.

IFRS values in T€	2012	2011
Assets	294,640.0	416,065.5
Liabilities	288,736.7	409,382.7
Equity	5,903.4	6,682.8
Revenue	0.0	0.0
Net profit for the period	5,901.4	6,680.8

### › VIE ÖBA GmbH (OEBA)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Provision of all types of construction and construction-related services, among others for construction projects realised by Flughafen Wien AG or other companies.

IFRS values in T€	2012	2011
Assets	3,362.9	3,764.1
Liabilities	2,642.4	3,354.5
Equity	720.5	409.6
Revenue	6,250.1	6,424.2
Net profit for the period	310.9	405.1

### › Vienna Auslands Projektentwicklung und Beteiligung GmbH (VAPB)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Acquisition of international subsidiaries and investments in other companies.

IFRS values in T€	2012	2011
Assets	224.4	263.9
Liabilities	200.9	214.5
Equity	23.5	49.4
Revenue	0.0	488.7
Net profit for the period	-25.9	16.0

### › VIE Operations Holding Limited (VIE OPH)

**Headquarters:** Luqa, Malta

**Share owned:** 99.95% VINT 0.05% VIAB

Holding company for VIE Operations Limited.

IFRS values in T€	2012	2011
Assets	256.3	11.9
Liabilities	29.0	30.7
Equity	227.3	-18.8
Revenue	0.0	0.0
Net profit/loss for the period	546.1	-20.8



### › VIE Operations Limited (VIE OP)

**Headquarters:** Luqa, Malta

**Share owned:** 99.95% VIE OPH 0.05% VINT

Provision of support, services and consultancy for international airports.

<b>IFRS values in T€</b>	<b>2012</b>	<b>2011</b>
Assets	895.2	926.1
Liabilities	368.9	461.1
Equity	526.3	465.0
Revenue	734.5	789.3
Net profit for the period	461.3	463.0

## › 2. Subsidiaries and investments included in the consolidated financial statements at equity

### › City Air Terminal Betriebsgesellschaft m.b.H. (CAT)

Type of holding:	Joint venture
Headquarters:	Schwechat
Share owned:	50.1% VIE

Operation of the City Airport Express as a railway operator from the "Wien-Mitte" transit centre to and from Vienna International Airport; operation of check-in facilities at the "Wien-Mitte" transit centre combined with baggage logistics for airport passengers; consulting for third parties on the organisation and development of traffic connections between airports and cities.

IFRS values in T€	2012	2011
Non-current assets	10,056.3	10,827.9
Current assets	7,224.6	5,258.7
Non-current liabilities	371.8	400.7
Current liabilities	1,949.8	1,818.3
Equity	14,959.2	13,867.5
Revenue	10,364.7	9,726.7
Net profit for the period	1,091.7	368.2

### › SCA Schedule Coordination Austria GmbH (SCA)

Type of holding:	Associated company
Headquarters:	Schwechat
Share owned:	49% VIE

Schedule coordinator for airports in Austria, e.g. the company allocates time slots to aircraft in accordance with EU law, principles defined by the IATA and applicable legal regulations, and also carries out other activities that are directly or indirectly related to the business of the company.

Values in acc. with the Austrian Commercial Code in T€	2012 <sup>1)</sup>	2011
Assets	744.2	790.8
Liabilities	114.5	116.3
Equity	629.8	674.5
Revenue	845.6	871.6
Net profit/loss for the period	-18.8	5.4

1) Preliminary values

### › Flughafen Friedrichshafen GmbH (FDH)

Type of holding:	Associated company
Headquarters:	Friedrichshafen, Germany
Share owned:	25.15% VINT

Operation of Friedrichshafen Airport.

IFRS values in T€	2012	2011
Assets	40,740.5	46.846.2
Liabilities	32,762.9	34.139.8
Equity	7,977.6	12.706.4
Revenue	10,436.2	10.564.1
Loss for the period	-4,728.6	-2.660.7

### › Letisko Košice - Airport Košice, a.s. (KSC)

Type of holding:	Joint venture
Headquarters:	Košice, Slovakia
Share owned:	66% KSCH

Operation of Košice Airport.

in T€	2012	2011
Non-current assets	38,191.2	37,125.5
Current assets	14,345.7	14,026.9
Non-current liabilities	416.0	507.0
Current liabilities	854.3	786.5
Equity	51,266.7	49,858.9
Revenue	7,292.7	9,185.6
Net profit/loss for the period	1,408.9	-19,300.2

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### › Malta International Airport plc. (MIA)

Type of holding:	Joint venture
Headquarters:	Luqa, Malta
Share owned:	10.1% VIE Malta 40% MMLC

Operation of Malta International Airport.

IFRS values in T€	2012 <sup>1</sup>	2011 <sup>2</sup>
Non-current assets	119,560.0	113,001.9
Current assets	34,381.8	33,198.9
Non-current liabilities	71,999.0	69,773.4
Current liabilities	19,597.5	17,102.3
Equity	62,345.2	59,325.2
Revenue	52,812.0	52,426.2
Net profit for the period	12,459.9	11,909.4

1) Preliminary values

2) Adjusted to reflect final values

This company is listed on the Malta Stock Exchange. The market price per share equalled € 1.80 as of the balance sheet date (2011: € 1.70) and the market value of the 10.1% directly owned stake was T€ 24,597.5 (2011: T€ 23,231.0).

### › Malta Mediterranean Link Consortium Ltd. (MMLC) Group

Type of holding:	Joint venture
Headquarters:	La Valetta, Malta
Share owned:	57.1% VIE Malta

Holding company for the investment in Malta International Airport.

IFRS values in T€	2012 <sup>1</sup>	2011 <sup>2</sup>
Non-current assets	146,193.6	139,816.7
Current assets	35,511.8	33,836.9
Non-current liabilities	81,012.3	80,883.4
Current liabilities	21,926.6	19,036.3
Equity	78,766.4	73,733.9
Revenue	52,817.3	52,426.2
Net profit for the period	12,269.4	11,667.3

1) Preliminary values

2) Adjusted to reflect final values

### › Columinis Holding GmbH in Liquidation (CMIS)

Type of holding:	Joint venture
Headquarters:	Vienna
Share owned:	50% VAPB

Joint venture to acquire investments in other companies

IFRS values in T€	2012	2011
Non-current assets	0.0	0.0
Current assets	14.7	20.1
Non-current liabilities	0.0	0.0
Current liabilities	1.5	0.8
Equity	13.2	19.3
Revenue	0.0	0.0
Loss for the period	-6.1	-4.9

### › 3. Investments not included in the consolidated financial statements

#### › GetService Dienstleistungsgesellschaft m.b.H. (GETS)

<b>Headquarters:</b>	Schwechat	
<b>Share owned:</b>	100% VIAS	
Provision of all types of security services related to airport operations.		
<b>Values in acc. with Austrian Commercial Code in T€</b>	<b>2012</b>	<b>2011</b>
Assets	829.2	1,323.3
Liabilities	242.2	475.3
Equity	586.9	848.0
Revenue	2,162.1	3,058.7
Net profit for the period	125.9	306.1

#### › "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2)

<b>Headquarters:</b>	Schwechat	
<b>Share owned:</b>	51% VIAS	
Provision of security services, personnel leasing, cleaning including snow removal etc		
<b>Values in acc. with Austrian Commercial Code in T€</b>	<b>2012</b>	<b>2011</b>
Assets	6,845.7	5,657.0
Liabilities	2,490.3	1,341.0
Equity	4,355.4	4,316.0
Revenue	7,977.7	5,784.7
Net profit for the period	828.4	788.0

### › Salzburger Flughafen Sicherheitsgesellschaft m.b.H. (SFS)

**Headquarters:** Schwechat

**Share owned:** 100% VIAS

Provision of security services; the company is not active at the present time.

<b>Values in acc. with Austrian Commercial Code in T€</b>	<b>2012</b>	<b>2011</b>
Assets	51.1	53.8
Liabilities	0.0	0.0
Equity	51.1	53.8
Revenue	0.0	0.0
Loss for the period	-2.8	-1.3

### › VIE Shops Entwicklungs- und Betriebsges.m.b.H (SHOP)

**Headquarters:** Schwechat

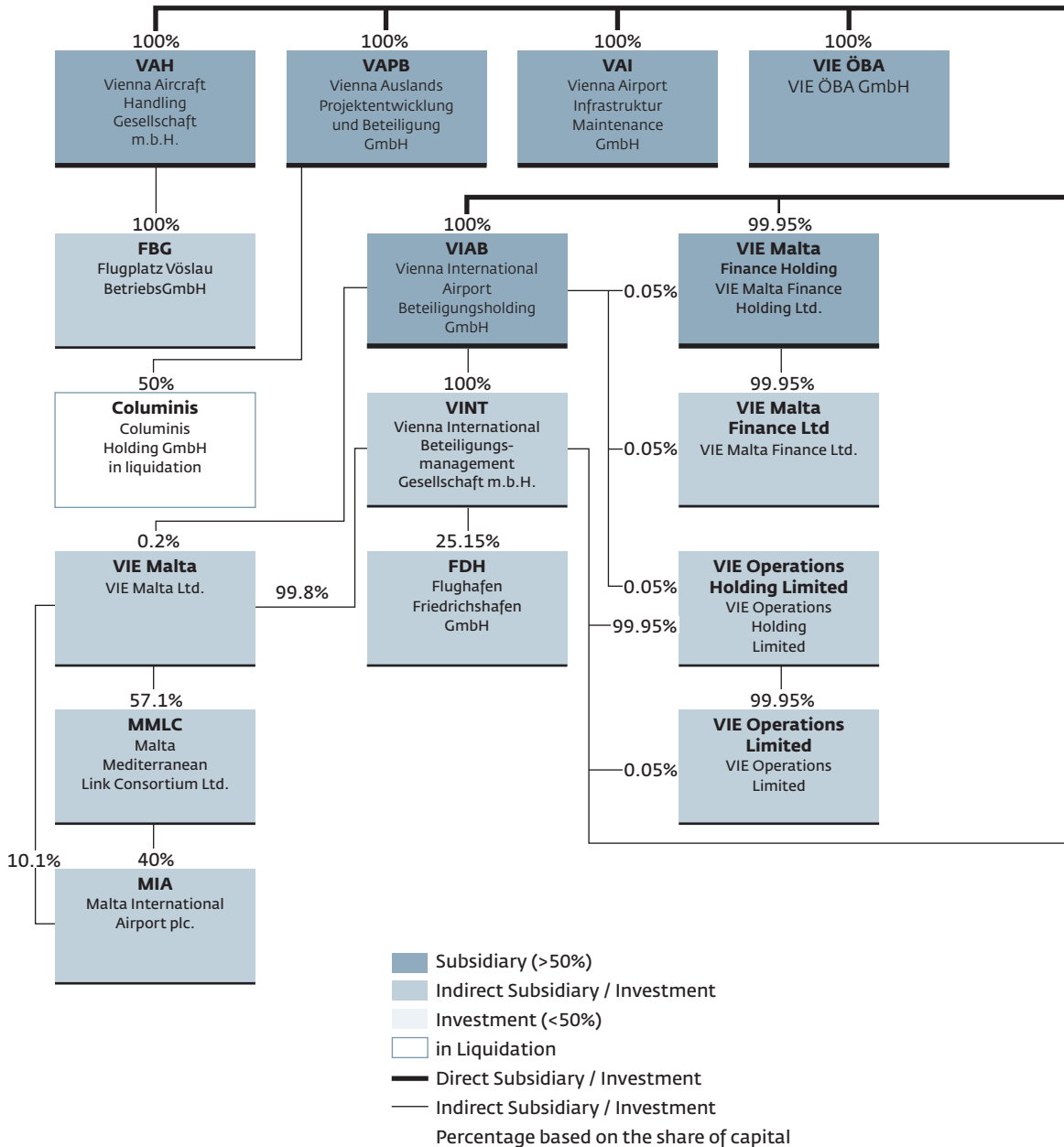
**Share owned:** 100% VIE

Planning, development, marketing and operation of shops at airports in Austria and other countries.

<b>Values in acc. with Austrian Commercial Code in T€</b>	<b>2012</b>	<b>2011</b>
Assets	4.5	8.1
Liabilities	0.0	0.0
Equity	4.5	8.1
Revenue	0.0	0.0
Loss for the period	-3.6	-4.1

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 **Flughafen Wien AG**

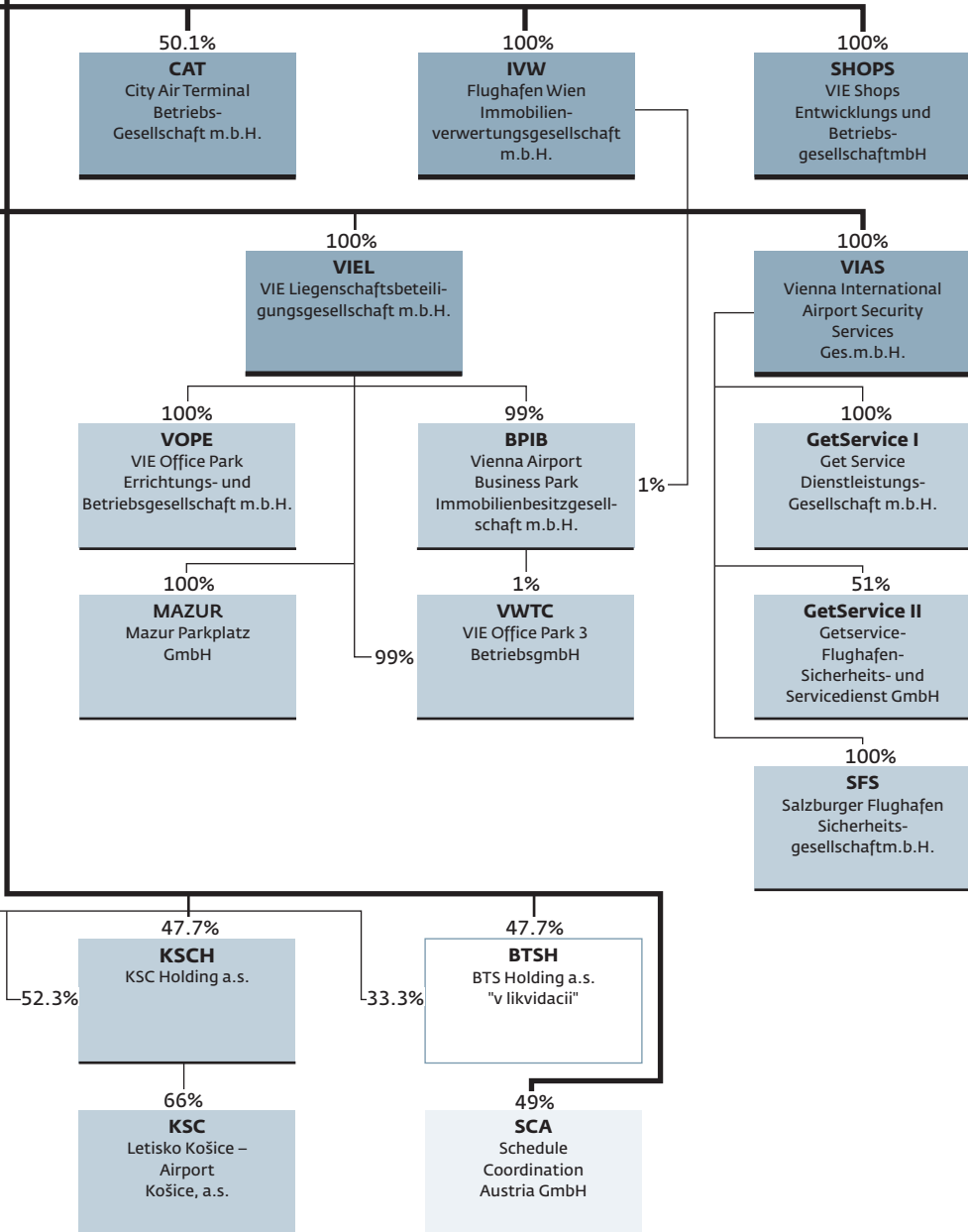




## Subsidiaries and Investments



as of 31.12.2012



# Statement by the Members of the Management Board

In accordance with § 82 of the Austrian Stock Corporation Act

## › Consolidated Financial Statements

We confirm to the best of our knowledge that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.

Schwechat, 26. Februar 2013

**The Management Board:**



**Günther Ofner**  
Member, CFO



**Julian Jäger**  
Member, COO

# Auditor's Report

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of

**Flughafen Wien Aktiengesellschaft,  
Schwechat,**

for the **year from 1 January 2012 to 31 December 2012**. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the fiscal year 2012 and a summary of significant accounting policies and other explanatory notes.

### › **Management's Responsibility for the Consolidated Financial Statements and for the Accounting System**

The Company's management is responsible for the group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### › **Auditor's Responsibility and Description of Type and Scope of the Statutory Audit**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and as well as in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the >

Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### › **Opinion**

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of 31 December 2012 and of its financial performance and its cash flows for the year from 1 January to 31 December 2012 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

### › **Report on the Management Report for the Group**

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 4 March 2013

#### **KPMG Austria AG**

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:

**Heidi Schachinger**  
Wirtschaftsprüferin

**Michael Schlenk**  
Wirtschaftsprüfer

(Austrian Chartered Accountants)



**Flughafen Wien  
Aktiengesellschaft  
Management Report on  
the 2012 Financial Year**

## The Business Environment

The commercial development of air travel is influenced to a significant degree by fluctuations in the economy as well as crises and events that can lead to the cancellation of flights and/or routes.

As an international hub in Central Europe, Vienna Airport is heavily dependent on economic developments in the Euro zone and because of its geographical location also affected by economic trends in the CEE region. The Czech Republic, Slovakia, Hungary, Slovenia and Croatia play a special role because the residents in the adjoining areas of these neighbouring countries form part of Vienna Airport's catchment area.

Whereas the global economy was characterised by slight weakness in 2012, the Euro zone recorded a decline beginning in the second quarter of the year. The result was a 0.6% year-on-year contraction, with substantial differences on a regional basis. In contrast, the CEE region reported moderate growth for 2012 (Source: EUROSTAT).

One example of sound development in the CEE region is Slovakia, which generated GDP growth in 2012 due to higher production volumes in the automobile industry. The Czech economy slipped into a slight recession during 2012 because export surpluses were unable to counter the decline in private consumption. Hungary reported a GDP decline of roughly 1.7% for 2012, whereby growth was supported by higher net exports but limited by a more substantial drop in domestic demand as a result of the fiscal austerity programme (Source: EUROSTAT).

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Within the context of this international environment, the export-oriented Austrian economy produced GDP growth of 0.4% in 2012 (Source: Austrian National Bank). A lack of export momentum and weak domestic consumption slowed the investment climate, in spite of continuing low interest rates. The Austrian labour market developed better in international comparison with an increase in employment, but near stagnation in real wages and generally low consumer confidence had a negative effect on private consumption. The CPI-linked inflation rate rose by an annual average of 2.4% in 2012 due to rising prices for energy and food and higher unit labour costs (Source: Statistik Austria).

Both the European Central Bank (ECB) and the US Federal Reserve reacted to these global economic developments by extending their low interest rate policies. The financial markets were stabilised by measures connected with the ESM programme and the announced ECB intervention in the federal bond sector.

### › **Tourism in Austria**

The Austrian tourism industry, a key driver for business development at Vienna Airport, set a new record in 2012. According to Statistik Austria, the number of overnight stays rose by about 4.0% year-on-year to 131.0 million. An above-average increase of 4.8% to 95.1 million was recorded in the number of overnight stays by foreign tourists. The strongest growth by region was registered in visitors from Central and Eastern Europe with a plus of 7.8%. Of special note is the increase in overnight stays by travellers from Russia at 18.9%. The number of overnight stays by German visitors, who represent the largest group, rose by 4.6% to 50 million in 2012 (Source: Statistik Austria).

### › **Travel in Austria**

Travel by the Austrian public rose slightly in 2012. Statistik Austria reported nearly 6.6 million holiday trips during the summer season (July - September), the most important period for such activities. This represents an increase of 1.0% over the previous summer. Of the total vacations, 56.2% were taken in foreign countries whereby the most popular destinations were Italy (24.7%), Croatia (16.8%), Germany (12.4%), Spain (6.1%) and Greece (4.5%). The airplane was the preferred mode of transport for 17.2% of these travellers to reach their vacation destination.

## Traffic at Vienna Airport

The increase in passenger traffic at the European airports averaged a moderate 1.8%<sup>1</sup> year-on-year in 2012. With growth of 5.0%, Vienna Airport exceeded this level by a substantial margin. A total of 22,165,794 passengers were handled at Vienna during the reporting year, with transfers comprising a share of 31.8%. Above-average growth 8.1% was recorded in the number of transfer passengers, which is a strategically important customer group for Vienna.

Flight movements fell by 2.1%<sup>2</sup> in European comparison. This trend was also felt in Vienna, but to a slightly lesser extent: the number of flight movements at Vienna Airport declined 0.6% in 2012.

The consequences of the sovereign debt crisis and global economic weakness led to a 2.8% drop in cargo turnover at the European airports. In Vienna, cargo volumes (air cargo and trucking) were 9.2% lower than the previous year.

Vienna remained one of the top four airports in Europe for punctuality in 2012 and also maintained its high-quality service levels.

### › Traffic at European airports in 2012 – Vienna with the strongest passenger growth

	Passengers in thousand	Change vs. 2011 in %	Flight movements <sup>3</sup>	Change vs. 2011 in %
London <sup>3</sup>	121,725.0	0.5	843,052	-1.8
Frankfurt	57,520.0	1.9	471,454	-1.2
Paris <sup>3</sup>	88,844.2	0.8	721,903	-1.8
Amsterdam	51,035.6	2.6	423,407	0.8
Madrid	45,175.5	-9.0	372,359	-13.1
Rome	36,980.2	-1.8	309,302	-4.6
Munich	38,360.6	1.6	376,889	-2.9
Milan <sup>3</sup>	36,587.8	-0.5	338,001	-3.3
Zurich	24,751.6	1.7	250,311	4.9
<b>Vienna</b>	<b>22,165.8</b>	<b>5.0</b>	<b>243,072</b>	<b>-0.6</b>
Prague	10,807.9	-8.3	128,624	-12.9
Budapest	8,493.6	-4.7	81,921	-21.8

1) ACI Airport Council International – Europe. Inhouse; January-December 2012

2) ACI Airport Council International – Europe. Inhouse; January-December 2012

3) Source: ACI Europe Traffic Report December 2012

London: Heathrow. Gatwick und Stansted

Paris: Charles de Gaulle. Paris Orly

Mailand: Malpensa. Linate und Bergamo

Flight movements as per ACI: movements excl. general aviation and other aircraft movements



### › Passenger growth of 5.0%

Traffic indicators	2012	Change in %	2011	2010
MTOW (in million tonnes)	8.1	-1.7	8.3	8.0
Total passengers (in million)	22.2	5.0	21.1	19.7
Thereof transfers (in million)	7.1	8.1	6.5	5.9
Flight movements	244,650	-0.6	246,157	246,146
Cargo (air cargo and trucking; in tonnes)	252,276	-9.2	277,784	295,989
Seat occupancy (in %)	73.0	n. a.	69.6	68.9
Number of destinations	179	2.9	174	177
Number of airlines	71	-2.7	73	70

The number of passengers handled at Vienna Airport rose by 5.0% to 22,165,794 in 2012, which reflects the forecasted range of 4 to 5%. A quarterly comparison shows slower growth in passenger traffic during the third and fourth quarters than in the first (+9.2%) and second quarters (+6.8%). This development reflects the basis effects from the events in Japan (Fukushima) and North Africa (revolutions in Libya and Egypt) during the first half of 2011 as well as the termination of flights to Mumbai beginning from April and to Damascus beginning from August 2012 onwards. The number of flight movements declined 0.6% year-on-year to 244,650. Maximum take-off weight (MTOW) was 1.7% lower, chiefly because of the general decline in air cargo. Seat occupancy equalled 73.0%, compared with 69.6% in the previous year.

Cargo turnover fell by 9.2% year-on-year to 252,276 tonnes in 2012. Air cargo declined 10.9% to 178,054 tonnes and trucking 4.8% to 74,222 tonnes. The economic weakness in the Asian region had a negative effect on the development of cargo traffic in Vienna during 2012. Furthermore, the reduction in freight charges for maritime cargo transport (based on price developments as reported in the Baltic Dry Index) led to an increase in the volume of high-value goods shipped from Asia to Europe via ocean carriers. That, in turn, triggered a sharp drop in air cargo from the Asian region. In the air cargo segment, Lufthansa followed the takeover of Austrian Airlines with the transfer of the related cargo business to its subsidiary Lufthansa Cargo AG (LCAG). LCAG now manages all cargo flows into and out of Vienna. Consolidation measures in the Lufthansa transport network included the transfer of large cargo volumes by LCAG to the hubs in Frankfurt and Munich, which led to a double-digit drop in cargo volume for the hub carrier AUA/Lufthansa in 2012. The development of business with other customers leads to expectations that this business will bottom out in mid-2013 and possibly produce slight volume growth during the second half of the year.

Vienna Airport offered scheduled flights to 179 destinations in 2012 (2011: 174), with 45 (2011: 44) of these destinations located in Eastern Europe. That confirms Vienna's position as the leading east-west hub in Europe for 2012. The number of passengers departing to Eastern Europe rose by an above-average 12.1% year-on-year, which increased this share of total passenger traffic 1.2 percentage points to 20.1%. Departures to destinations in the Middle East grew by a sound 8.3%. In contrast, traffic to the Far East declined 5.9% following the termination of flights to Mumbai.

### › Departing passengers in 2012 (scheduled and charter) by region

Region	2012	2011	Change absolute	Share 2012 in %	Share 2011 in %	Change in % points
Eastern Europe	2,226,488	1,986,681	239,807	20.1	18.9	1.2
Western Europe	7,495,253	7,241,165	254,088	67.8	68.8	-1.0
Far East	384,524	408,677	-24,153	3.5	3.9	-0.4
Middle East	541,667	500,139	41,528	4.9	4.8	0.1
North America	212,488	207,473	5,015	1.9	2.0	-0.1
Africa	189,733	174,577	15,156	1.7	1.7	-
South America	8,028	2,225	5,803	0.1	-	0.1
<b>Total</b>	<b>11,058,181</b>	<b>10,520,937</b>	<b>537,244</b>	<b>100.0</b>	<b>100.0</b>	

The share of passengers departing to Eastern Europe rose to 20.1% in 2012 (2011: 18.9%) based on above-average traffic growth of 12.1%. Western Europe remained the most popular destination with 67.8% (2011: 68.8%) of the total passengers. Frankfurt led the list of West European destinations with 593,565 passengers, followed by London with 468,874 and Zurich with 453,461. The East European ranking was headed by Moscow, Bucharest and Sofia. The most passengers on long-haul flights were recorded by Bangkok with 111,265 passengers, followed by New York and Tokyo.

### › The major airlines at Vienna Airport

The Austrian Airlines Group, the largest and most important customer of the Flughafen Wien Group, recorded a 4.0% increase in passenger traffic during 2012 but a decline in the share of the total passenger volume to 49.5% (2011: 50.0%). In spite of this development, the Austrian Airlines Group remains the dominant home carrier at Vienna Airport. NIKI maintained its position as the second largest carrier in Vienna during 2012. An increase of 9.2% in the number of passengers raised its share of the total passenger volume to 12.0% (2011: 11.6%). Eight low-cost carriers served Vienna on a regular basis during the reporting year (2011: eight). The number of passengers handled by the low-cost carriers rose by 5.4% year-on-year in 2012, whereby the decline in passenger traffic during the first quarter (-3.2%) was more than offset during the remainder of the year. The market share held by these airlines equalled 21.8% (2011: 21.7%). A ranking of the airlines by the share of passengers carried is led by the Austrian Airlines Group and NIKI, followed by airberlin with 6.3% and Lufthansa with 5.5%. The top ten airlines at Vienna Airport also include Germanwings with a share of 2.2%, British Airways and Turkish Airlines with 1.7% each and Swiss Intl., Air France and Emirates with 1.5% each. In this ranking, Turkish Airlines, Emirates and Lufthansa reported the strongest growth over 2011.

The average seat occupancy on flights from and to Vienna (scheduled and charter) rose from 69.6% in 2011 to 73.0% for the reporting year. This reflects the airlines' efforts to improve capacity utilisation. Despite a fleet reduction of four aircraft, the Austrian Airlines Group carried more passengers during the reporting year and also contributed to the improvement in seat occupancy.

Seventy-one airlines carried out scheduled flights to Vienna in 2012 (2011: 73), which served 179 destinations in 67 countries. New airline customers included, among others, Estonia Air, Saudi Arabian Air, Belle Air, OLT Express and Danube Wings. In contrast, six airlines terminated services to and from Vienna.

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## Fee and Incentive Policy

Vienna International Airport has a fee system that is very attractive in international comparison. The fee adjustments were based on a formula (price-cap formula) that was accepted by FWAG, the airlines and the Austrian civil aviation authority (Austrian Ministry for Transport, Innovation and Technology (BMVIT)). The formula equals the inflation rate minus 0.35-times the average growth in traffic over the past three years.

The fee structure was adjusted as follows as of 1 January 2012:

Landing fee, airside infrastructure fee, parking fee:	+ 0.81%
Passenger fee, landside infrastructure fee:	+ 0.39%
Infrastructure fee for fuelling:	+ 0.68%

The fee adjustments implemented on 1 January 2012 and the related sharing of occupancy risk with the airlines as well as the continuation and/or expansion of the successful incentive programme are designed to strengthen the competitive position of Vienna Airport and to promote strategically important intercontinental routes and traffic to destinations in Eastern and Central Europe.

The Austrian Airport Tariff Act took effect on 1 July 2012. It defines the procedure for fee adjustments and provides additional stability because the price-cap formula is now anchored in law.

The airlines request to share a higher share of the occupancy risk was met with a reduction of approx. 11% in the landing fee and a corresponding increase of approx. 4.6% (€ 0.74/per departing passenger) in the passenger fee. The airside infrastructure fee was reduced by 10%, while the landside infrastructure fee was raised by 20% (€ 0.20). The PRM (People with Reduced Mobility) fee remained unchanged at € 0.34 per departing passenger.

The Austrian Aviation Act of 2011 requires Flughafen Wien AG to collect a security fee from each departing passenger (local and transfer). This fee was set at € 7.70 as of 16 April 2012.

In order to further strengthen Vienna's position as a transfer airport, Flughafen Wien AG raised the long-standing transfer incentive by € 2.50 as of 5 June 2012. This refund to airlines that support the development of Vienna Airport's hub function equalled € 11.71 per departing transfer passenger from 5 June 2012 to 31 December 2012. The growth incentive programme was also continued in 2012. These measures provide sustainable protection for the role of Vienna Airport as a bridgehead between west and east.

## Revenue in 2012

Revenue recorded by the Flughafen Wien AG rose by 4.5% year-on-year to € 592.6 million. This increase was supported by the positive development of traffic as well as higher non-aviation revenue.

Due to the seasonality of the airport business, Flughafen Wien AG normally generates its highest revenue during the holiday periods in the second and third quarters.

Airport revenue rose by € 19.2 million to € 293.0 million, primarily due to the growth in the number of passengers (+5.0%). Revenue from the passenger fee (excl. PRM – Passengers with Reduced Mobility and discounts), which correlates with the growth in traffic, was € 20.3 million or 12.3% higher at € 184.7 million. The security fee, which is also linked to passenger traffic, generated € 78.5 million (2011: € 67.7 million) of revenue. As a result of the changes in the fee structure (see the section "Fee and Incentive Policy") and the 1.7% decline in maximum take-off weight (MTOW), revenue from the landing fee fell by 11.5% to € 63.7 million (2011: € 72.0 million). Revenue from the use of infrastructure equipment and facilities for passengers and aircraft (infrastructure fee) rose slightly in 2012.

Revenue from handling activities declined 3.6% to € 144.5 million. This development resulted, above all, from lower apron handling revenue following the renegotiation of several handling contracts. However, the market share increased slightly to 89.3% for the reporting year (2011: 89.2%). Celebi Ground Handling Austria GmbH is the second provider of ground handling services on the apron at Vienna Airport. Revenue from traffic handling fell by 12.4% or € 1.5 million to € 10.3 million. Revenue from cargo handling fell by € 1.3 million or 4.0% to € 31.2 million due to the drop in cargo turnover. In spite of this shift, the market share of VIE-Handling in the cargo segment remained at a very high 94.0% (2011: 94.8%).

Non-aviation revenue also increased in 2012 and, including revenue from subsidiaries, rose to € 155.1 million (2011: € 143.2 million). The adjustment of charges for the parking areas and car parks led to a 9.0% rise in revenue to € 33.1 million (2011: € 30.4 million). Revenue from rentals and concessions (including guest services and parking income) rose by € 13.3 million or 12.6% to € 118.7 million. This sound growth was supported, above all, by the opening of the new areas in Check-in 3.

## Earnings

The development of earnings at Flughafen Wien AG in 2012 can be summarised as follows:

- › Revenue: plus 4.5% to € 592.6 million
- › Operating income: plus 5.3% to € 609.4 million
- › Cost of consumables and services: plus 11.9% to € 77.3 million
- › Personnel expenses: plus 1.7% to € 217.6 million
- › Scheduled depreciation and amortisation: plus € 30.2 million to € 91.3 million due to the start of operations in the new terminal Check-in 3
- › Impairment charges: at € 10.8 million (2011: € 31.6 million)
- › Earnings before interest and taxes (EBIT): minus 12.2% to € 69.3 million
- › Financial results: improvement of € 3.0 million to minus € 25.0 million
- › Earnings before taxes (EBT): minus 22.2% to € 44.3 million
- › Net profit for the year: minus 28.2% to € 33.4 million
- › Retained earnings: € 22.1 million

### › Income statement, summary

Amounts in € million	2012	Change in %	2011
Revenue	592.6	4.5	567.0
Other operating income (incl. own work capitalised)	16.9	41.7	11.9
<b>Operating income</b>	<b>609.4</b>	<b>5.3</b>	<b>578.9</b>
Operating income, excl. depreciation, amortisation and impairment	-437.9	7.6	-407.2
<b>EBITDA</b>	<b>171.5</b>	<b>-0.1</b>	<b>171.7</b>
Depreciation, amortisation and impairment	-102.2	10.2	-92.8
<b>EBIT</b>	<b>69.3</b>	<b>-12.2</b>	<b>78.9</b>
Financial results	-25.0	13.4	-22.0
<b>EBT</b>	<b>44.3</b>	<b>-22.2</b>	<b>56.9</b>
Income taxes	-10.9	4.9	-10.4
<b>Net profit for the year</b>	<b>33.4</b>	<b>-28.2</b>	<b>46.5</b>

Revenue rose by 4.5% in 2012, chiefly due to the positive development of airport and non-aviation revenue. Detailed information is provided in the section "Revenue in 2012".

Other operating income (incl. own work capitalised) was € 5.0 million higher at € 16.9 million, primarily due to an increase in insurance compensation ("Uniqta settlement") and invoiced penalties related to the delayed completion of retail space by a lessee.

Operating income amounted to € 609.4 million for the reporting year (2011: € 578.9 million).

### › Operating expenses of € 540.2 million

Amounts in € million	2012	2011
Consumables and services used	77.3	69.1
Personnel	217.6	214.0
Other operating expenses	143.1	124.1
Depreciation, amortisation and impairment	102.2	92.8
<b>Total</b>	<b>540.2</b>	<b>500.0</b>

The cost of consumables and services rose 11.9% year-on-year to € 77.3 million. Expenditures for consumables were higher in 2012, above all due to an increase of € 2.9 million in energy costs (electricity, district heating) to € 20.0 million. The rise in energy costs was also related to the start of operations in the new terminal Check-in 3. Expenses for other consumables and fuel rose slightly by € 0.6 million to € 17.2 million, primarily due to price increases. The cost of services rose by € 4.6 million to € 40.1 million (2011: € 35.5 million) due to higher charges for security services.

Personnel expenses increased 1.7% year-on-year to € 217.6 million. In spite of wage and salary increases mandated by collective bargaining agreements, wages and salaries declined due to a reduction of 120 in the average number of employees. Higher additions to the provisions for severance compensation and pensions that resulted from lower interest rates led, in total, to an increase in personnel expenses. The reduction in expenses for semiretirement programmes in 2012 was related chiefly to a basis effect, i.e. the conclusion of a higher number of these agreements in the previous year.

Other operating expenses rose by € 19.0 million, or 15.3%, year-on-year. The main reasons for this increase were higher expenditures for maintenance (+ € 6.2 million), third party services including services provided by subsidiaries (+ € 8.7 million), and damages (+ € 3.9 million). Valuation allowances totalling € 4.9 million were recognised for doubtful receivables in 2012, whereby € 3.5 million were related to the bankruptcy of companies in the Sardana Group. In addition, valuation allowances of € 1.5 million were released to other operating income.

Positive effects included the declines in legal, auditing and consulting fees (€ 2.4 million) and expenses for marketing and market communication (€ 5.9 million).

### EBITDA at prior year level

Earnings before interest, taxes, depreciation and amortisation (EBITDA) recorded by Flughafen Wien AG declined 0.1% year-on-year to € 171.5 million in 2012 (2011: € 171.7 million) due to the increase in operating expenses.

### › Depreciation, amortisation and impairment of € 102.2 million

Amounts in € million	2012	2011
Depreciation, amortisation and impairment	102.2	92.8
Investments	109.6	237.6

Investments in intangible assets and property, plant and equipment totalled € 3.3 million and € 105.8 million, respectively, in 2012. Scheduled depreciation and amortisation rose by € 30.2 million year-on-year, above all due to the start of operations in >

Check-in 3 in June 2012.

Impairment charges totalling € 7.5 million were recognised to three cargo properties and one office building in 2012. Property, plant and equipment was also reduced through impairment charges of € 3.4 million. In the prior year an impairment charge of € 31.6 million was recognised in connection with Check-in 3.

### **EBIT of € 69.3 million**

EBIT fell by 12.2% year-on-year due to the impairment charges recorded in 2012 and the increase in scheduled depreciation and amortisation.

### **Financial results at minus € 25.0 million**

Financial results equalled minus € 25.0 million for 2012, compared with minus € 22.0 million in 2011. Income from investments in other companies fell by € 6.6 million to € 6.1 million due to lower contributions from investments in subsidiaries. Income from securities and loans granted nearly matched the prior year level at € 1.5 million. Interest income was € 2.3 million lower due to the partial sale of short-term securities to a foreign subsidiary.

Results from the disposal and write-up of financial assets and short-term securities declined € 1.0 million to € 1.5 million.

The repayment of financial liabilities led to a decline of € 7.1 million in interest expense in 2012.

### **Profit before tax of € 44.3 million**

Flughafen Wien AG recorded profit before tax of € 44.3 million for the reporting year (2011: € 56.9 million).

The tax rate equalled 24.7% in 2012 (2011: 18.3%). Net profit for the year amounted to € 33.4 million (2011: € 46.5 million).

## **› Financial and capital management**

The financial management of Flughafen Wien AG is supported by a system of indicators that is based on selected and closely synchronised ratios. These indicators define the scope of development, profitability and financial security within which the company moves in the pursuit of its primary goal to generate profitable growth.

Depreciation, which will rise over the coming years due to the high level of capital expenditure at the airport, has a significant influence on the earning indicators monitored by Flughafen Wien AG. In order to permit an independent evaluation of the operating strength and performance of the individual business units, EBITDA – which equals operating profit plus depreciation, amortisation and impairment – is defined as the key indicator. The company also uses the EBITDA margin, which shows the relationship of EBITDA to revenue. The EBITDA margin equalled 28.9% in 2012, compared with 30.3% in the previous year. The protection of high profitability is a stated long-term goal of management.

The optimisation of the financial structure has top priority for the company. This financial security is measured by the gearing ratio, which compares net financial liabilities with the carrying amount of equity.

Financial liabilities declined year-on-year in 2012 due to a lower volume of investments and effective liquidity management as well as the premature repayments made possible by these measures. Consequently, cash and cash equivalents fell by € 63.2 million to

€ 36.0 million as of 31 December 2012.

In addition to the EBIT margin, the return on equity (ROE) is also used to evaluate the company's profitability. ROE compares net profit for the period with the average capital employed during the financial year. The benchmark for this return is the cost of capital, which represents a weighted average of the cost of equity and debt (weighted average cost of capital; WACC).

### › Profitability indicators

	2012	2011
EBIT in € million	69.3	78.9
EBITDA in € million	171.5	171.7
EBIT margin in %	11.69%	13.92%
EBITDA margin in %	28.94%	30.28%
ROE in %	4.8%	6.7%

Definition of indicators:

**EBIT Margin:** EBIT (Earnings before Interest and Taxes)  
Formula: EBIT / revenue

**EBITDA Margin:** EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation)  
Formula: (EBIT + depreciation and amortisation) / revenue

**ROE:** (Return on Equity after Tax)  
Formula: Net profit for the period / Average equity (including untaxed reserves and investment subsidies)  
Average equity: (Equity in the prior year + equity in the current year) / 2



# Financial, Asset and Capital Structure

## › Balance sheet structure of Flughafen Wien AG

	2012	2011
<b>ASSETS</b>		
Non-current assets in %	92.8%	89.4%
Current assets in %	7.2%	10.6%
<b>Total assets in T€</b>	<b>1,939,370.4</b>	<b>2,033,266.2</b>
<b>EQUITY AND LIABILITIES</b>		
Equity <sup>1</sup> in %	36.4%	34.2%
Liabilities in %	63.6%	65.8%
<b>Total equity and liabilities in T€</b>	<b>1,939,370.4</b>	<b>2,033,266.2</b>

1) including untaxed reserves and government grants

The balance sheet total of Flughafen Wien AG amounted to T€ 1,939,370.4 as of 31 December 2012, which represents a year-on-year decline of 4.6%. The capital-intensive nature of the company's business activities was reflected in an increase in non-current assets to 92.8% (2011: 89.4%) of the balance sheet total. Current assets were lower, above all due to a decline in cash and cash equivalents.

Equity (including untaxed reserves and government grants) as a share of the balance sheet total rose 2.2 percentage points over the comparable prior year figure. The premature repayment of financial liabilities reduced liabilities to 63.6% of the balance sheet total (2011: 65.8%).

## › Assets

The total assets held by Flughafen Wien AG declined by 4.6% or € 93.9 million to € 1,939.4 million as of 31 December 2012 (2011: € 2,033.3 million). The carrying amount of intangible assets increased € 5.5 million to € 15.1 million. Additions of € 3.3 million and transfers of € 5.9 million were contrasted by amortisation of € 3.6 million.

Property, plant and equipment with a carrying amount of € 1,534.8 million represented the largest component of non-current assets in 2012: additions of € 105.8 million were contrasted by depreciation of € 98.6 million. The changes in the items of property, plant and equipment were related, above all, to the start of operations in Check-in 3. The majority of the additions during the reporting year were also related to the terminal extension Check-in 3. The carrying amount of land and buildings rose by € 664.0 million over the comparable prior year level. Additions of € 54.7 million and transfers of € 701.7 million were contrasted by depreciation and impairment charges of € 44.7 million. The carrying amount of technical equipment and machinery rose by a significant amount in 2012: investments of € 11.7 million and transfers of € 125.7 million were contrasted by depreciation of € 32.9 million. The carrying amount of other equipment, furniture, fixtures and office equipment was increased by additions of € 25.2 million and transfers of € 29.2 million, but reduced by depreciation of € 21.1 million.

Current assets (excl. prepaid expenses and deferred charges) fell by 35.9% to € 135.9 million as of 31 December 2012. The main reason for this development was a decline in cash and cash equivalents to € 35.9 million (2011: € 99.1 million) that resulted from the repayment of financial liabilities and efficient liquidity management. Receivables and other assets decreased € 4.9 million year-on-year to € 75.1 million. This change reflected the refund of € 14.1 million of advance corporate tax payments and value added tax credits from previous years that was partly offset by a revenue-based rise of € 8.5 million in net trade receivables. Inventories fell slightly to € 3.9 million, and securities declined by € 7.9 million to € 21.0 million following the sale to a foreign subsidiary.

### › Equity and Liabilities

Equity recorded by Flughafen Wien AG rose by 1.8% to € 695.3 million at year-end 2012. Net profit of € 33.4 million for the reporting year was contrasted by the dividend payment of € 21.0 million for 2011.

Provisions increased slightly by € 0.4 million year-on-year to € 212.1 million. Increases in the provisions for severance compensation, pensions and service anniversary bonuses were contrasted by a decline in other provisions. Amounts due to financial institutions rose by 4.5% or € 21.8 million caused by short-term borrowings. Trade payables fell 27.3% to € 58.7 million. The repayment of intercompany loans led to a reduction of € 104.7 million in amounts due to subsidiaries to € 362.6 million. Other liabilities rose slightly by 2.6% to € 56.1 million. Deferred income was € 0.8 million lower at € 25.6 million due to reversals.

### › Cash Flow Statement

in T€	2012	2011
<b>Net cash flow from operating activities:</b>		
+/- Profit/loss for the year	33,350.6	46,462.8
+ Depreciation and amortisation	102,228.7	92,763.4
- Write-ups to financial assets	-733.4	-831.3
+ Change in government grants	-278.2	-521.3
+/- Change in employee-related provisions	16,110.2	-6,195.6
+/- Change in other non-current provisions	-567.6	7,214.1
-/+ Gains(-)/losses(+) on the disposal of intangible assets and property, plant and equipment	-1,618.6	4,519.0
+/- Gains(-)/losses(+) on the disposal of financial assets	-140.5	-214.1
+ Results from the disposal of current securities	-690.1	-1,556.6
+/- Other non-cash income and expenses	720.6	0.0
<b>Gross cash flow</b>	<b>148,381.8</b>	<b>141,640.4</b>
-/+ Increase/ decrease in inventories	201.7	161.1
-/+ Increase/ decrease in trade receivables	-8,470.2	11,907.2
-/+ Increase/ decrease in receivables due from subsidiaries and associates	-2,112.4	11.0
-/+ Increase/ decrease in other receivables and assets (excl. financing) as well as prepaid expenses and deferred charges	16,130.1	-29,720.4
+/- Increase/ decrease in trade payables	-2,381.2	-14,359.5
+/- Increase/ decrease in amounts due to Group companies (excl. financing)	18,016.2	11,499.0
+/- Increase/ decrease in other provisions	-1,722.4	7,448.1
+/- Increase/ decrease in other liabilities (excl. financing) and deferred income	-2,289.7	16,063.9
	<b>17,372.1</b>	<b>3,010.4</b>
<b>Operating cash flow</b>	<b>165,753.9</b>	<b>144,650.8</b>
<b>Net cash flow from investing activities:</b>		
- Payments made for investments in intangible assets and property, plant and equipment	-127,187.0	-200,146.6
+ Disposal of intangible assets and property, plant and equipment	3,630.1	213.0
- Investments in financial assets	-545.1	-223.0
+ Disposal of financial assets and current securities	15,337.5	38,749.0
	<b>-108,764.5</b>	<b>-161,407.6</b>
<b>Net cash flow from financing activities:</b>		
- Dividend/repayment of shareholder contributions	-21,000.0	-42,000.0
+/- Change in medium- and short-term financial liabilities	-99,147.5	97,963.0
	<b>-120,147.5</b>	<b>55,963.0</b>
<b>Change in cash and cash equivalents</b>	<b>-63,158.1</b>	<b>39,206.2</b>

## Corporate Spending

Investments in intangible assets, property, plant and equipment and financial assets fell by 53.9% year-on-year to € 109.6 million in 2012. These expenditures comprise € 105.8 million for property, plant and equipment, € 3.3 million for intangible assets and € 0.5 million for financial assets. The major additions made in 2012 are listed below.

### › Terminal extension Check-in 3

The successful start of operations in the new terminal Check-in 3 on 5 June 2012 marked a milestone in 2012. Investments of € 28.3 million for Check-in 3 in 2012 focused on the conclusion of projects in progress and measures to complete the facility. The experience gained from real-time operations is now being used as the basis for optimisation measures that will also continue in 2013. In addition several work groups were formed to examine the possible solutions for single projects.

Detailed information on capital expenditure is provided in the following table:

Project	Additions 2012
Check-in 3	28,343.7
Security systems Check-in 3	9,542.1
Third runway	9,394.0
Forwarding agent building	9,200.8
Special vehicles	5,444.0

## Branch Offices

Flughafen Wien AG had no branch offices in 2012 or 2011.

## Financial Instruments

A financial instrument is a contract that simultaneously creates a financial asset in one entity and a financial liability or equity instrument in another entity. In particular, financial assets include financial investments such as consolidated and other holdings, securities, trade receivables, originated loans and other receivables, non-derivative and derivative financial assets held for trading, and cash and cash equivalents. Financial liabilities generally represent an obligation to deliver cash or other financial assets to a creditor and are comprised, above all, of amounts due to financial institutions, trade payables and derivative financial liabilities. Financial assets and financial liabilities are normally not offset for presentation, except in cases where there is a legally enforceable right to offset the amounts and settlement will take place on a net basis.

In 2007 Flughafen Wien AG concluded an interest rate swap (receive variable – pay fixed) to hedge the cash flows on a variable interest financial liability. This variable inte- >

rest financial liability was designated as the hedged item at an amount reflecting the nominal value of the interest rate swap. The interest rate swap expired in 2012. In addition, Vienna Aircraft Handling Gesellschaft m.b.H. was granted an option that calls for Flughafen Wien AG to purchase the shares in Flugplatz Vöslau Betriebs GmbH for a fixed price of T€ 5,562.4.

Further details are provided in the notes to the financial statements.

## Development Risks

### › Risk management

A risk management guideline defines and regulates the related activities in the Flughafen Wien Group (FWAG). The risk management process is designed to systematically identify and assess the risks to which the company is exposed and to take appropriate measures to minimise these risks. The associated procedures cover the analysis of all operating and strategic business processes. Responsibility lies with the individual business unit managers or subsidiary directors. The controlling department is responsible for and coordinates operational risk management, whereby a separate database is used to document the identified risks and the measures to be implemented.

The company has concluded insurance policies to minimise the risks arising from damages and liability. An internal control system (ICS) was installed to ensure the correctness and completeness of all business transactions in the company's accounting system. Flughafen Wien established an internal audit department that regularly evaluates business practices and organisational processes for compliance with Group guidelines, security and efficiency. The Management Board has therefore created the necessary instruments and structures to identify risks at an early point in time and to implement appropriate countermeasures or otherwise minimise these risks. The existing systems are evaluated on a regular basis and extended as required.

### › Economic risks

The development of business at FWAG is significantly influenced by global trends in air travel which, in turn, are heavily dependent on general economic conditions. Based on forecasts by Eurostat, FWAG expects an improvement in the macroeconomic environment during 2013 and, above all, 2014. Accordingly, FWAG is projecting further steady growth in passenger traffic at Vienna Airport.

The development of traffic is also significantly influenced by other external factors such as terror, war or other external shocks (e.g. pandemics, closing of air space due to natural disasters etc.). In addition to emergency plans, Vienna Airport works to counter the effects of such shocks, above all with high demands on the quality of security and proactive public relations. This involves close cooperation with the Austrian Federal Ministry of the Interior and the Federal Police Department in Schwechat as well as specially designed security measures for customers. Depending on the intensity and impact of such events, FWAG can react to the decline in traffic triggered by such shocks with the adjustment of available resources and the modification of its capital expenditure programme.

## › Branch risks

FWAG expects continued high competitive and cost pressure on the airlines. Forecasts by the branch association IATA show negative net profit<sup>1</sup> for the European airlines in 2013. It can be assumed that the airlines will proceed with their efficiency and profitability improvement programmes (cost reduction, portfolio optimisation, slower fleet expansion). This will also increase the cost pressure on the European airports.

The enactment of a new federal law ("Flugabgabegesetz") in 2011 resulted in an additional charge for airline passengers. The airlines are required to collect this additional duty for passengers departing from Austrian airports on behalf of the Austrian Ministry of Finance. The amount of the duty is dependent on the destination, and equalled € 8 for domestic and short-haul flights, € 20 for mid-haul flights and € 35 for long-haul flights up to 31 December 2012. As of 1 January 2013 the duty was revised as follows: short-haul flights € 7, mid-haul flights € 15 and long-haul flights € 35. In spite of the reduction, this duty continues to have a negative effect on passenger traffic. It also has an adverse impact on Vienna Airport because the vast majority of European countries have not implemented a similar charge.

## › Market and customer structure risks

The Austrian Airlines Group (AUA) is responsible for 49.5% of the passengers at Vienna Airport and is the largest customer of FWAG. Its sustainable development as a strong home carrier and the network strategy of the Star Alliance, in which the Austrian Airlines Group is a partner, have a significant influence on the commercial success of FWAG. The development of this key customer is continuously monitored and analysed by the responsible business units.

AUA made substantial progress with its restructuring programme in 2012. The related measures included the transfer of flight operations to Tyrolean Airways as of 1 July 2012, the harmonisation of the fleet (decommissioning of Boeing 737) and a product offensive for long-haul routes. However, the further development of AUA and, in turn, the development of passenger volumes and traffic at Vienna Airport is still connected with uncertainty.

With market shares of 12.0% and 6.3%, respectively, NIKI and airberlin hold second and third place in the FWAG customer ranking. NIKI announced a change in its strategic orientation beginning with the summer flight plan 2013 that will see the expansion of Vienna Airport's function as a hub for airberlin destinations in Greece. This development will strengthen Vienna's position as a hub for the airberlin Group. Plans also call for an increase in the offering of flights to Spain, Egypt and Turkey. NIKI will continue to harmonise its fleet in order to further improve cost efficiency, and the conversion to a pure Airbus fleet should be completed in 2013. FWAG expects further growth from NIKI in 2013 based on these measures, but developments at airberlin are connected with uncertainty because of the current earnings situation. The company is working to reach a sustainable competitive earnings position with its "Turbine" turnaround programme which includes, among others, a fleet reduction and the optimisation of the route network. However, FWAG assumes this will have a limited direct effect on Vienna Airport.

1) IATA Financial Forecast, December 2012

FWAG counteracts market risk with marketing measures as well as competitive fee and incentive models that apply equally to all airlines. In particular, the company's goal is to share the airlines' market risk and thereby promote strategically important inter-continental routes and traffic to destinations in Eastern and Central Europe.

The handling services provided by FWAG are the subject of growing price pressure as well as rising quality demands from the airlines. Service level agreements that include penalties for the failure to meet quality targets are becoming increasingly popular. Flughafen Wien AG was able to protect its leading market position in ramp handling and in cargo during the reporting year. The foundation for this strong standing in competition with other service providers is formed by specially designed service packages and high quality standards. New handling agreements for ramp services that cover the period up to 2019 were concluded with the key customers AUA and airberlin / NIKI. These agreements substantially reduce the market risk for the Handling Segment.

Flughafen Wien will face an additional challenge from a guideline for ground handling services that was recently released in draft form by the European Commission. Among others, this guideline requires the licensing of at least three agents (currently two) to provide ramp handling services at Vienna Airport and also gives airlines the right to carry out their own handling. The guideline would further increase competitive pressure and the risk of losing market shares to competitors. However, the European Parliament rejected the draft proposed by the Commission in a meeting on 12 December 2012. It is currently not possible to predict if and in what form the liberalisation targeted by the Commission will be implemented.

In the cargo business, the dominant market position of the few airlines and forwarding agents represents a certain risk. FWAG works to further diversify its portfolio and thereby reduce this risk by continuously monitoring these airlines and acquiring new customers.

FWAG rents buildings and space that are used primarily by airlines or rented by companies whose business is dependent on the development of air traffic. Consequently, this area is exposed not only to general real estate market risks, but also to the risks of shifts in passenger traffic and consumer behaviour that could have an effect on the development of earnings from the retail sector.

### › Development risks for international business

The foreign airport investments of Flughafen Wien (Malta, Košice and Friedrichshafen) are not only exposed to the above-mentioned branch risks, but also to additional local challenges and market risks. Political and regulatory risks – which include the taxation of air travel, air traffic restrictions by public authorities, changes in applicable laws and requirements by public authorities that result in additional costs – are monitored continuously. These types of factors can influence medium-term planning and create a risk that a specific investment may become impaired.

## › Financial risks

Capital expenditure at FWAG is financed primarily by operating cash flows as well as long-term, fixed interest and/or variable interest borrowings.

Interest rate risk results, above all, from variable interest financial liabilities and assets. The FWAG treasury department is responsible for the efficient management of interest rate and market risks, evaluates the respective risk positions on a regular basis as part of risk controlling and selectively uses interest rate derivatives to minimise the risk of changing interest rates.

The EIB credit agreement defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of € 400.0 million. Offers for the acceptance of € 400.0 million in guarantees have been obtained. The EIB has already confirmed the new guarantors and the committed guarantee amounts. If a guarantor is downgraded by a rating agency, the EIB would require a substitute guarantor or other acceptable collateral.

## › Investment risk

FWAG's expansion projects are exposed to various risks – including the loss of suppliers, higher construction costs or changes in planning – that could increase the intended expenditures. A special analysis procedure is therefore used in the planning stage to evaluate the potential risk associated with investment projects, while regular risk monitoring is based on an analysis and evaluation process that is part of project controlling. Any special risks identified by the project managers (e.g. contaminated soil) are incorporated in the respective calculations.

Expansion projects are developed in close coordination with the airlines based on the expected development of traffic. Expert forecasts for the growth in passenger volumes over the medium- and long-term reduce the financial risk associated with these investments and ensure that sufficient capacity is available to meet the forecasted demand.

The environmental impact assessment for the construction of a third runway brought a positive decision in the first instance. A ruling issued on 10 July 2012 approved the construction and operation of "Parallel runway 11R/29L" by FWAG. This first-instance decision lists 460 requirements to protect residents and the environment. The appeal period ended on 24 August 2012, and 28 parties filed appeals against the decision. The environmental senate will serve as the second instance for these appeals. FWAG expects a final decision at year-end 2013. Construction would start in 2016 at the earliest, and the parallel runway would then be available for operations in 2020 or 2021. An initial estimate of the costs for this project, including the fulfilment of all requirements, is being prepared.

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits by 2020. The parallel runway project is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and profitability calculations. If the first-instance decision is reversed by the environmental senate or the project is not realised, previously capitalised costs – including the noise protection programme – would have to be written off.



The valuation of assets is based on the assumption that Vienna Airport will maintain its position as an east-west hub.

### › Legal risks

The requirements of public authorities, above all in the area of environmental protection (e.g. noise and emissions) can create legal risks. Flughafen Wien AG works to counter these risks, above all, with information and the involvement of local citizens in the mediation process (e.g. third runway) or through neighbourhood advisory boards.

In connection with the construction of Check-in 3, all outstanding, unaccepted invoices (with one exception) related to cancelled contracts were settled with positive results. Possible claims against contractors for damages are also under evaluation. Court-certified technical experts have identified possible damage claims for unjustified cost increases in the millions of Euros. In this connection impairment charges of € 31.6 million were recognised during 2011. An agreement has already been reached with one insurance firm for compensation of € 11.1 million, and contractors have waived receivables totalling € 3.0 million. One contractor has repaid fees of € 7.6 million. FWAG will continue to actively pursue claims for damages against the involved contractors in 2013, and the public prosecutor's office has launched an investigation of the respective circumstances.

### › Personnel risks

Motivated and committed employees play an important role in the success of FWAG. In order to counteract the loss of know-how through turnover, numerous measures have been implemented to strengthen employee ties. Steps have also been taken to increase occupational safety and to minimise illness-related absences.

### › Operating risks

The major operating risks in the area of information and communications technology (system breakdowns and the destruction of central systems) were further reduced in 2012 by continuing the measures introduced in the previous year. After the installation of video- and access systems in Check-in 3 that meet data protection requirements, the risk of losing sensitive data replaced possible compliance inadequacies as the third key risk in this area. The loss of sensitive data is considered to be an operating risk because FWAG must publicly report any such incidents in accordance with Austrian data protection law. The systems used by FWAG have received all necessary official permits and reflect data protection requirements with respect to system security.

Redundant systems were installed at all central network interfaces in Check-in 3 to ensure uninterrupted operation of the network and related systems in the event of a breakdown. There is a slight risk in this area that these emergency measures may not be fully effective at the present time because of a recent error on the part of the network provider that has not been fully analysed. Work is currently proceeding to analyse and correct this error as quickly as possible.

The outdated mainframe (BULL Host / MACH ALT) was replaced by new technology (mach2) and deactivated in 2012. The mach2 has state-of-the-art monitoring systems and emergency procedures that were not available in this scope for the older system and

can ensure a higher degree of reliability.

The mach2 systems form the backbone of the IT systems used at the airport. They provide nearly all other systems with an update on incoming and outgoing flights in near real-time and also show flights planned for the future. The necessary master data is administered centrally and also made available to the related systems.

In addition, the mach2 systems include a number of special functions that are required for airport operations: load planning, telex reception, dispatch and distribution, and display systems for passengers and employees. The systems for apron planning, ground handling disposition and cargo handling as well as SAP for invoicing and analysis are closely linked to the mach2 systems. Proactive, electronic monitoring protects these systems, which are continuously developed to meet all legal and technical requirements.

### › Environmental risks

The situation at Vienna Airport can be considered stable because of the existing operational restrictions (prohibition on the use of noise-sensitive take-off and landing routes from 9:00 pm to 7:00 am) as well as a limit on the absolute number of flight movements between 11:30 pm and 5:30 am. Additional restrictions on night flights could lead, in particular, to a decline in cargo and long-haul traffic.

### › Damage risks

The risk of damages includes fire and other events that could result from natural disasters, accidents or terror as well as the theft of property. In addition to appropriate safety and fire protection measures and emergency plans that are rehearsed on a regular basis, these risks are covered by insurance.

### › General risk assessment

A general evaluation of the risk situation concluded that the continued existence of FWAG is protected for the foreseeable future and did not identify any risks that could endanger this continued existence. FWAG has sufficient liquidity reserves to pursue the airport expansion without delay.

# Report on the key features of the internal control and risk management systems for accounting processes

In accordance with § 82 of the Austrian Stock Corporation Act, the Management Board is responsible for the development and implementation of an internal control and risk management system for accounting processes that meets the company's requirements. The following section explains the organisation of the internal controls related to accounting processes at FWAG.

The structure and design of FWAG's internal control system was defined in a guideline. The objective of the internal control system (ICS) is to ensure the reliability of financial reporting and compliance with all applicable laws and regulations. The ICS covers all process-related monitoring measures in the organisation.

The description of the major features of these internal controls is based on the structure of the internationally recognised COSO model (Committee of Sponsoring Organisations of the Treadway Commission). Accordingly, the internal control system comprises the following components: control environment, risk assessment, control activities, information and communication and monitoring. The relevant processes involve the identification and assessment of the financial and accounting risks to which the company is exposed as well as the implementation of appropriate controls. The documentation for the control system is maintained in standard software that also supports the process-related depiction of risks and controls.

## › Control environment

The corporate culture within which management and employees operate has a significant influence on the control environment. FWAG works actively to improve communications and to convey its principal values as a means of anchoring moral standards, ethics and integrity in the company and in interaction with other parties. An important contribution in this area is the voluntary code of conduct implemented by FWAG, which defines the rules for giving and accepting gifts and invitations.

The implementation of the internal control system for accounting processes is regulated by internal guidelines and directives. The related responsibilities were adjusted to meet the needs of the company and thereby create a satisfactory control environment.

## › Risk assessment

The risks associated with accounting processes are identified by management and monitored by the Supervisory Board. Attention is focused on risks that are normally considered to be material. The annual financial statements form the main criterion for the identification of the major ICS risks. A change in the volume of business processes or the underlying accounts can lead to changes in the identifiable ICS risks and controls.

The preparation of the annual (consolidated) financial statements involves the use of

estimates, which carry an inherent risk of deviation from actual future developments. In particular, the following circumstances or positions in the annual (consolidated) financial statements are involved: employee-related provisions, the results of legal disputes, the collectability of receivables and the valuation of investments in other companies and property, plant and equipment. The company draws on external experts or publicly available sources whenever necessary, in order to minimise the risk of inaccurate estimates.

### › Control activities

In addition to the Supervisory Board and Management Board, mid-level management (e.g. department heads and senior managers) carry out control activities for on-going business processes to ensure that potential errors or variances in financial reporting are prevented, discovered and corrected. These controls range from the variance-based analysis of results for the various accounting periods by management and the controlling department to the specific transition of accounts and the analysis of routine accounting processes. Compliance with the dual control principle is ensured.

Control activities to guarantee IT security represent an integral part of the internal control system. Access to sensitive functions and data is restricted. SAP and PC Konsol enterprise reporting software are used for accounting and financial reporting purposes. The functionality of the accounting system is guaranteed, among others, by automated IT controls.

In the subsidiaries, the respective managers are responsible for the development and implementation of an internal control and risk management system for accounting processes that meets the needs of their particular company. These managers also represent the final authority for ensuring compliance with all related group guidelines and directives.

### › Information and communication

The guidelines and directives for financial reporting are updated regularly by management, and communicated to all involved employees via the Intranet or internal announcements. Activities at the management level are intended to ensure compliance with all accounting guidelines and directives, and to also identify and communicate weak points and opportunities for the improvement of accounting processes. The accounting staff also attends regular training courses that cover changes in international accounting policies and practices, in order to minimise the risk of unintended errors.

### › Monitoring

Management, the controlling department and the Supervisory Board are responsible for continuous monitoring of the internal control systems in FWAG. In addition, the individual department heads and senior managers are responsible for monitoring activities in their respective areas. Specific persons have been designated as the responsible control authorities. Controls are reviewed to ensure their effectiveness, and the ICS is also evaluated by the internal audit department. The results of monitoring activities are reported to management and the Supervisory Board.

## Research and Development

The information systems service unit is a central internal service provider for information and communications technology. As such, it works to improve and expand the various programme modules for the internally generated airport software and individual standard applications. The MACH airport operating system, which was used for many decades, was replaced by the mach2 successor system in 2012.

In connection with the start of operations in Check-in 3, the IT department installed interfaces from mach2 to various other systems (e.g. the door control system, baggage sorting equipment, the higher-level handling system etc.).

The activities of the information systems service unit also focused on the implementation of the CDM-ISP project (Collaboration Decision Making-Information Sharing Platform) in 2012. The information sharing platform to be developed as part of this project will create the basis for introducing the CDM process at Vienna Airport. Through more exact planning, better analysis and the optimisation of resources, this tool will lead to significant cost savings for the participating system partners.

Expenses for the research and development of individual programme modules of the airport operations software amounted to € 1.1 million in 2012 (2011: € 1.9 million).

## Environmental and Labour Issues

### › The Environment

FWAG is committed to careful and conscious interaction with the environment and to sustainable management, and has implemented numerous measures to reach these goals. The recently purchased de-icing vehicles (2012: € 4.9 million) can reduce the use of de-icing materials by up to 25%. A further € 1.2 million was also invested in environmental protection (excluding the noise protection programme) during the reporting year (2011: € 1.3 million). Activities focused on the reduction of pollutant and noise emissions in order to minimise the impact of the airport on its surrounding environment – and above all on neighbouring residents. A project was also launched to improve energy efficiency, which calls for concrete measures to reduce energy consumption. Substantial cost savings were realised by replacing technical equipment, optimising air conditioning, replacing frequency converters and improving the apron lighting. The installation and practical implementation of the CDM system (Collective Decision Making) with the system partners at Vienna Airport will not only create organisational benefits, but also produce significant ecological improvements through a reduction in taxiing and waiting times. FWAG also participates in the ACAS (Airport Carbon Accreditation System) programme managed by ACI, which will lead to a sustainable reduction in CO<sup>2</sup> emissions at Vienna Airport.

**› Over view of environmental indicators for Flughafen Wien AG:**

	2012	2011
Number of passengers	22,165,794	21,106,292
Electricity consumption per year in kWh	156,030,072	135,871,470
Electricity consumption in kWh per year and passenger	7.04	6.44
Heat consumption per year in MWh	123,964	122,317
Heat consumption in MWh per year and passenger	0.0056	0.0058
Water consumption per year in m <sup>3</sup>	703,974	674,472
Water consumption in m <sup>3</sup> per year and passenger	0.032	0.032
Waste water disposal per year in m <sup>3</sup>	649,071	663,500
Waste water disposal per year and passenger	0.029	0.032
Residual waste aircraft in kg	1,164,280	1,125,500
Residual waste aircraft in kg per passenger	0.053	0.053
Waste paper VIE in kg	1,778,500	2,016,180
Waste paper VIE in kg per passenger	0.080	0.096
Aluminium/cans/metal VIE in kg	9,250	6,395
Aluminium/cans/metal in kg per passenger	0.0004	0.0003
Biogenic waste VIE in kg	195,560	217,580
Biogenic waste VIE in kg per passenger	0.009	0.010
Glass VIE in kg	100,010	74,281
Glass VIE in kg per passenger	0.005	0.004
Plastic packaging VIE in kg	135,960	145,660
Plastic packaging VIE in kg per passenger	0.006	0.007
Hazardous waste VIE in kg	202,574	140,257
Hazardous waste VIE in kg per passenger	0.009	0.007
Share recycled in %	90.3%	90.9%

## › Workforce issues

The average number of employees in FWAG declined by 120 in 2012 as a result of synergy effects from organisational restructuring and the on-going cost reduction programme. However, the opening of the new terminal led to a temporary increase in the workforce during the summer to deal with security issues related to the operational start-up.

The measures implemented in previous years to reduce holiday and overtime were continued in 2012.

Employees	2012	Change in %	2011
Number of employees (average)	3,266	-3.5	3,385
Thereof wage employees	2,220	-3.5	2,301
Thereof salaried employees	1,046	-3.6	1,084
Number of employees (31 December)	3,098	-2.9	3,192
Traffic units per employee	7,362	7.5	6,848
Average age in years	39.9	1.0	39.5
Length of service in years	10.4	-1.0	10.5
Share of women in %	12.4	0.8	12.3
Training expenditures in EUR	730,000	-30.4	902,000
Reportable accidents	145	1.4	143

The number of traffic units per employee rose by 7.5% to 7,362 units in 2012 based on the strong development of traffic and the implementation of measures to improve efficiency throughout the company.

Flughafen Wien also provides voluntary benefits for its workforce to strengthen identification with the company and to increase motivation. These benefits include free-of-charge transportation to and from Vienna, a day care centre with flexible opening hours and reduced costs for numerous recreational and sporting activities.

The independent private foundation (employee foundation) established over 10 years ago gives employees an opportunity to participate in the success of Flughafen Wien AG. This foundation holds 10% of the shares in FWAG and distributes the dividends received on these shares to company employees. € 2.1 million was dispersed during the reporting year – which represents the dividend payment for 2011 – and corresponds to 26.9% of the average monthly salary or wage per employee.

# Disclosures required by § 243a of the Austrian Commercial Code

## › 1. Share capital and shares

The share capital of Flughafen Wien AG totals € 152,670,000 and is fully paid in. It is divided into 21,000,000 shares of bearer stock, which are securitised in a collective certificate and deposited at the ÖKB (Österreichische Kontrollbank AG). All shares carry the same rights and obligations ("one share = one vote").

## › 2. Syndication agreement

Two core shareholders – the province of Lower Austria (4.2 million shares) and the city of Vienna (4.2 million shares) – hold 40% of the company's shares in a syndicate. The syndication agreement was concluded in 1999 and has remained unchanged since that time. It calls for the joint exercise of voting rights on the syndicated shares at the annual general meeting. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval. The syndication agreement provides for reciprocal rights of purchase if one party intends to sell its syndicated shares to a buyer outside the syndicate (third party) through a legal transaction in exchange for return compensation. This reciprocal right of purchase does not apply if the syndicated shares are transferred to a holding company in which the transferring syndicate partner owns at least a majority stake. The company is not aware of any other limitations on voting rights or the transfer of shares.

## › 3. Investments of over 10% in the company

The city of Vienna and the province of Lower Austria each hold an investment of 20% in Flughafen Wien AG. In addition, Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) holds 10% of the share capital of Flughafen Wien AG. Since 8 June 2012 Silchester International Investors LLP has held a stake of 10.07%. The company is not aware of any other shareholders with a stake of 10% or more in share capital.

## › 4. Shares with special control rights

The company is not aware of any special control rights on the part of shareholders.

## › 5. Control of voting rights for the shares held by the employee foundation

The voting rights for the shares held by the Flughafen Wien employee foundation are exercised by the managing board of this entity. The appointment to or dismissal of members from the foundation's managing board requires the approval of the advisory board of the Flughafen Wien employee fund, whereby a simple majority is required for such decisions. The advisory board is comprised of five members, with two members each delegated by employees and the employer. These four members unanimously elect a fifth person to serve as the chairman of the advisory board.

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## › 6. Appointment and dismissal of members of the Management and Supervisory Boards

In accordance with the Austrian Corporate Governance Code, the company's articles of association permit the appointment of a person to the Management Board for the last time in the calendar year in which the candidate reaches his/her 65th birthday. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches his/her 70th birthday. There are no other provisions governing the appointment or dismissal of members of the Managing Board or Supervisory Board or the amendment of the company's articles of association that are not derived directly from Austrian law.

## › 7. Share buyback and authorised capital

The Management Board has been granted no explicit rights that are not derived directly from Austrian law, in particular with respect to the issue or repurchase of shares in the company. The company has no authorised capital at the present time.

## › 8. Change of control

Change of control clauses are included in the agreements for the € 400.0 million EIB (European Investment Bank) loan, the € 39.5 million promissory note and the € 300.0 million loan (current balance: € 239.9 million) concluded pursuant to an Austrian law to strengthen liquidity ("Unternehmensliquiditätsstärkungsgesetz"). These financing agreements with a total volume of € 739.5 million (current balance: € 678.8 million) were concluded with Austrian and international financial institutions. In the event of an actual, impending or justifiably assumed change of control (in accordance with the following definition), these financial liabilities could be called prematurely and related collateral may be cancelled if there are reasons to assume the change will or could have a negative impact on the future fulfilment of the financial liability and Flughafen Wien AG does not take actions within a certain period of time to provide this contract partner with collateral that is deemed acceptable. A change of control is defined as an event that leads to (i) a direct or indirect reduction in the investment held jointly by the province of Lower Austria and the city of Vienna in Flughafen Wien AG to less than 40% of the total number of voting shares or (ii) a natural person or legal entity that currently does not exercise control over Flughafen Wien AG gains control over Flughafen Wien AG (e.g. either directly or indirectly, through the ownership of shares, economic circumstances or in another manner, and either alone or together with third parties (i) acquires more than 50% of the voting shares in Flughafen Wien AG or (ii) the right to nominate the majority of members to the decision-making bodies of Flughafen Wien AG or exercises a controlling influence over these persons). For financing of € 559.1 million, a change of control does not include the direct or indirect reduction in the joint investment held by the province of Lower Austria and the city of Vienna to less than 40% but more than 30% of the voting shares in Flughafen AG in conjunction with a capital increase by the company without the full or partial exercise of subscription rights by these two shareholders, unless a natural person or legal entity that does not currently exercise control over Flughafen Wien AG gains control over the company at the same time.

## › 9. Compensation agreements in the event of a public takeover bid

There are no agreements for compensation between the company and the members of its Management Board, Supervisory Board or employees that would take effect if a public takeover bid is made.

## Outlook

Forecasts by the Austrian economic research institute WIFO point to real GDP growth of 1.0% for Austria in 2013. The estimates for global economic development are significantly less optimistic and, if realised, will have a negative effect on Austria with its export-oriented economy in spite of the country's sound basic indicators. Economic growth in the industrial countries is estimated to reach 2.0%, while the Euro zone should only generate growth of 1.1% due to the on-going debt crisis.

WIFO forecasts for growth in the Austrian export sector show a real plus of 3.8% in 2013. Unemployment should rise slightly to 7.4%, and private consumer spending should increase by only 0.7%.

Against the backdrop of the airlines' strategy to limit capacity expansion, FWAG expects a moderate increase of 1% to 2% in the number of passengers, a decline of 1.5% to 2.5% in flight movements and stagnation in maximum take-off weight (MTO W) during 2013.

Based on the above traffic forecasts, FWAG expects an increase in revenue to over € 625 million and a significant improvement in EBITDA to at least € 230 million. Net profit for the period should match the 2012 level and, from the current point of view, will exceed € 65 million. The Group's net debt should decline by a substantial amount to less than 2.9-times EBITDA, i.e. less than € 680 million. Capital expenditure should amount to € 115 million in 2013.

## Subsequent Events

The EIB credit agreement defines terms for the liability of qualified guarantors. The current guarantors cancelled the guarantee agreement that serves as collateral for the EIB loan as of 27 June 2013 at the full amount of € 400.0 million. Offers for the acceptance of € 400.0 million in guarantees have been obtained. The EIB has already confirmed the new guarantors and the committed guarantee amounts. If a guarantor is downgraded by a rating agency, the EIB would require a substitute guarantor or other acceptable collateral.

## Supplementary Report

Traffic was lower in January 2013 due to the extreme winter weather in Vienna and large parts of Europe during the middle of the month. The number of passengers fell by 1.7% year-on-year to 1,374,156. Declines were recorded in flight movements with minus 5.2%, maximum take-off weight (MTO W) with minus 3.9% and cargo turnover with minus 6.4%. In addition, the number of transfer passengers fell by 2.4%. A decline is also expected in February 2013 because there is no extra calendar day this year (29 February 2012).

As of 1 January 2013, FWAG fees were adjusted as follows based on the formula defined by Austrian law:

Landing fee, infrastructure fee airside, parking fee	+ 1.56%
Passenger fee, infrastructure fee landside	+ 0.72%
Infrastructure fee fuelling	+ 1.14%

The PRM fee (passengers with reduced mobility) remains unchanged at € 0.34 per departing passenger. Also unchanged is the security fee at € 7.70 per departing passenger. In the general aviation/business aviation sector, the landing fee for aircraft up to 4 tonnes MTOW was raised to a flat rate of € 112.37 per landing. In contrast, the landing fee for aircraft from 4 tonnes to 25 tonnes MTOW was reduced by approx. 0.5%. The passenger fee for general aviation/business aviation flights was raised to € 16.80 and now equals the passenger fee in the main terminal. The passenger fee for all passengers at Vienna Airport was subsequently reduced by € 0.01 per departing passenger.

Schwechat, 26 February 2013

### The Management Board



**Günther Ofner**  
Member, CFO



**Julian Jäger**  
Member, COO



# Annual Financial Statements 2012 of Flughafen Wien AG

# Balance Sheet

as of 31 December 2012

ASSETS	31.12.2012 in €	31.12.2011 in T€
<b>A Non-current assets</b>		
I. Intangible assets		
1. Concessions and rights	15,065,048.55	9,536.0
II. Property, plant and equipment		
1. Land and buildings	1,115,688,057.42	451,735.8
2. Machinery and equipment	268,579,438.92	164,522.6
3. Other equipment, furniture, fixtures and office equipment	77,581,648.66	44,746.1
4. Prepayments made and construction in progress	72,939,729.09	891,073.3
Total II	1,534,788,874.09	1,552,077.9
III. Financial assets		
1. Shares in subsidiaries	190,756,648.10	190,765.7
2. Loans granted to subsidiaries	46,302,906.55	49,475.6
3. Investments in other companies	9,116,686.50	9,116.7
4. Non-current securities (rights)	3,062,403.01	4,553.3
5. Other loans granted	720,333.13	1,326.1
Total III	249,958,977.29	255,237.4
<b>Total A</b>	<b>1,799,812,899.93</b>	<b>1,816,851.4</b>
<b>B Current assets</b>		
I. Inventories		
1. Supplies	3,935,393.50	4,137.1
II. Receivables and other assets		
1. Trade receivables	40,939,684.86	32,469.5
2. Receivables due from subsidiaries	10,241,543.67	8,105.8
3. Receivables due from companies in which an investment is held	53,039.61	76.5
4. Other receivables and assets	23,877,453.39	39,416.2
Total II	75,111,721.53	80,067.9
III. Securities and shares		
1. Miscellaneous securities and shares	20,950,000.00	28,900.0
IV. Cash on hand and deposits with financial institutions	35,986,952.15	99,145.1
<b>Total B</b>	<b>135,984,067.18</b>	<b>212,250.1</b>
<b>C Prepaid expenses and deferred charges</b>	<b>3,573,407.22</b>	<b>4,164.7</b>
<b>Total ASSETS</b>	<b>1,939,370,374.33</b>	<b>2,033,266.2</b>

	31.12.2012 in €	31.12.2011 in T€
<b>EQUITY AND LIABILITIES</b>		
<b>A Equity</b>		
I. Share capital	152,670,000.00	152,670.0
II. Share premium (appropriated)	117,657,318.52	117,657.3
III. Reserves		
1. Statutory reserve	2,579,158.88	2,579.2
2. Other reserves (voluntary reserves)	400,330,888.90	388,900.9
Total III	402,910,047.78	391,480.0
IV. Retained earnings		
Thereof profit carried forward: € 9,077.87; 2011: T€ 4.3	22,051,340.59	21,009.1
<b>Total A</b>	<b>695,288,706.89</b>	<b>682,816.4</b>
<b>B Untaxed reserves</b>		
1. Valuation reserve based on special depreciation	9,519,127.32	9,629.4
2. Other untaxed reserves	159,203.15	170.6
<b>Total B</b>	<b>9,678,330.47</b>	<b>9,800.0</b>
<b>C Government grants</b>	<b>1,651,437.36</b>	<b>1,929.7</b>
<b>D Provisions</b>		
1. Provisions for severance compensation	67,826,932.00	55,595.8
2. Provisions for pensions	16,658,596.00	15,188.2
3. Provisions for taxes	6,567,000.00	5,594.0
4. Other provisions	121,094,916.81	136,214.3
<b>Total D</b>	<b>212,147,444.81</b>	<b>212,592.2</b>
<b>E Liabilities</b>		
1. Amounts due to financial institutions	510,939,803.19	489,087.3
2. Prepayments received on orders	0.00	44.0
3. Trade payables	58,739,601.80	80,798.0
4. Amounts due to subsidiaries	362,618,326.48	467,362.3
5. Amounts due to companies in which an investment is held	6,656,159.72	4,896.1
6. Other liabilities	56,083,804.73	57,603.4
Thereof from taxes: € 0.0; 2011: T€ 0.0		
Thereof from social security: € 6,238,594.55; 2011: T€ 6,147.3		
<b>Total E</b>	<b>995,037,695.92</b>	<b>1,099,791.1</b>
<b>F Deferred income</b>	<b>25,566,758.88</b>	<b>26,336.9</b>
<b>Total EQUITY AND LIABILITIES</b>	<b>1,939,370,374.33</b>	<b>2,033,266.2</b>
<b>Contingent liabilities (in T€)</b>	<b>72,409.5</b>	<b>89,352.5</b>

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# Income Statement

from 1 January to 31 December 2012

	1.1. - 31.12.2012 in €	1.1. - 31.12.2011 in T€
1. Revenue	592,575,592.44	566,987.8
2. Own work capitalised	3,510,356.13	6,210.4
3. Other operating income		
a) Income from the disposal of non-current assets, with the exception of financial assets	3,428,098.73	73.8
b) Income from the reversal of provisions	4,471,576.29	2,015.0
c) Income from the reversal of government grants	278,219.21	617.3
d) Miscellaneous	5,181,691.58	2,991.4
Total 3.	13,359,585.81	5,697.6
<b>4. Operating income (subtotal of No. 1 to 3)</b>	<b>609,445,534.38</b>	<b>578,895.8</b>
5. Cost of consumables and services		
a) Cost of materials	37,225,428.30	33,677.7
b) Cost of services	40,107,923.31	35,456.8
Total 5.	77,333,351.61	69,134.5
6. Personnel expenses		
a) Wages	84,133,495.27	90,040.9
b) Salaries	63,883,027.10	67,001.4
c) Expenses for severance compensation and contributions to employee severance compensation fund	20,743,433.80	9,664.2
d) Expenses for pensions	5,014,572.05	3,859.8
e) Expenses for legally required social security and payroll-related duties and mandatory contributions	41,902,029.59	41,324.4
f) Other employee benefits	1,874,342.17	2,073.4
Total 6.	217,550,899.98	213,964.0
7. Depreciation and amortisation	102,228,672.98	92,763.4
Thereof impairment charges to non-current assets in acc. with § 204 (2) Austrian Commercial Code: € 10,873,950.29; 2011: T€ 31,624.8		

	1.1. - 31.12.2012 in €	1.1. - 31.12.2011 in T€
8. Other operating expenses		
a) Non-income based taxes	493,310.43	356.0
b) Miscellaneous	142,567,597.73	123,746.2
Total 8.	143,060,908.16	124,102.2
<b>Total 5. - 8.</b>	<b>540,173,832.73</b>	<b>499,964.1</b>
<b>9. Operating profit (subtotal of No. 1 to 8)</b>	<b>69,271,701.65</b>	<b>78,931.6</b>
10. Income from investments in other companies	6,066,307.91	12,657.9
Thereof from subsidiaries: € 5,983,567.91 2011: T€ 12,575.9		
11. Income from other securities and loans granted	1,523,291.06	1,624.1
Thereof from subsidiaries: € 1,517,096.25 2011: T€ 1,600.0		
12. Interest and similar income	4,629,341.52	6,914.8
Thereof from subsidiaries: € 1,826,838.93 2011: T€ 2,201.1		
13. Income from the disposal and write-up of financial assets	1,563,909.75	2,601.9
14. Interest and similar expenses	38,769,650.11	45,841.0
Thereof to subsidiaries: € 16,479,392.28 2011: T€ 23,640.4		
<b>15. Financial results (subtotal of No. 10 to 14)</b>	<b>-24,986,799.87</b>	<b>-22,042.3</b>
<b>16. Profit on ordinary activities</b>	<b>44,284,901.78</b>	<b>56,889.3</b>
17. Income taxes	-10,934,314.21	-10,426.5
<b>18. Net profit for the year</b>	<b>33,350,587.57</b>	<b>46,462.8</b>
19. Reversal of untaxed reserves	121,675.15	42.0
20. Addition to reserves	11,430,000.00	25,500.0
21. Profit carried forward from the prior year	9,077.87	4.3
<b>22. Retained earnings</b>	<b>22,051,340.59</b>	<b>21,009.1</b>

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**Notes to the 2012  
Annual Financial  
Statements of  
Flughafen Wien  
Aktiengesellschaft**

## General Information

### › Information on the company

Flughafen Wien Aktiengesellschaft (AG) and its subsidiaries are service companies that are active in the construction and operation of civil airports and related facilities. As a civil airport operator, Flughafen Wien AG manages Vienna Airport. The company's headquarters are located in Schwechat, Austria. The address is: Flughafen Wien AG, P.O. Box 1, A-1300 Wien-Flughafen. Flughafen Wien AG is listed in the company register of the provincial and commercial court of Korneuburg under number FN 42984 m.

The major operating permits held by Flughafen Wien AG are as follows:

In accordance with § 7 of the Austrian Air Transportation Act dated 21 August 1936, the Federal Ministry for Transportation and State-Owned Entities issued a permit to Flughafen Wien Betriebsgesellschaft m.b.H. on 27 March 1955 for the creation and operation of Vienna Airport to serve general traffic purposes.

In accordance with § 78 (2) of the Austrian Air Transportation Act (Federal Gazette BGBl. Nr. 253/1957), the Federal Ministry for Transportation issued an operating permit for instrument runway 16/34, including taxiways and lighting systems, on 15 September 1977.

Vienna Airport was certified by the Federal Ministry for Transportation, Innovation and Technology in 2010. The certification document was issued on 31 December 2010. This document confirms that the facilities used by Flughafen Wien AG to ensure safe and smooth operations comply with the applicable Austrian regulations. This certification is valid up to 31 December 2015 and/or as long as the respective requirements are met. The next certification is scheduled for 2015.

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### › **Additional Information**

The annual financial statements as of 31 December 2012 were prepared in accordance with the provisions of the Austrian Commercial Code, in the current version.

The annual financial statements were prepared in accordance with the principles of correct bookkeeping and accounting (§ 201 (2) of the Austrian Commercial Code) as well as the general principle of providing a true and fair view of the asset, financial and earnings position of the company (§ 222 (2) of the Austrian Commercial Code). In particular, the principle of prudence was observed and impending losses were recognised but unrealised gains were not recorded. All assets, provisions and obligations were recorded and individually measured, whereby valuation was free of arbitrariness.

It should be noted that rounding differences can result from the use of rounded amounts in the annual financial statements.

### › **Legal Relationships**

As of 31 December 2012 Flughafen Wien AG was party to a contract for the transfer of profit and loss with the subsidiary Vienna Aircraft Handling Gesellschaft m.b.H.

### › **Classification**

The company is classified as a large corporation under the provisions of § 221 (3) of the Austrian Commercial Code.

### › **Structure and Accounting Methods**

The balance sheet and the income statement were structured in accordance with the provisions of §§ 195 to 211 and 222 to 235 of the Austrian Commercial Code. The income statement was prepared in accordance with the nature of expense method under which "total costs" are shown as defined in § 231 (2) of the Austrian Commercial Code.

# Accounting and Valuation Methods

## NON-CURRENT ASSETS

### › Intangible assets and property, plant and equipment

Purchased intangible assets and property, plant and equipment are carried at acquisition or production cost, less scheduled amortisation and depreciation as well as any necessary impairment charges. Production costs also include an appropriate part of material and production overheads, but exclude interest.

The company's assets have the following useful lives: intangible assets: 4 to 20 years; facilities installed on property: 10 to 20 years; buildings: 10 to 50 years; machinery and equipment: 4 to 20 years; other equipment, furniture, fixtures and office equipment: 4 to 15 years; and technical noise protection: 20 years.

The measures for technical noise protection, which were recognised as project costs in connection with the third runway, were reclassified in 2012 and will be depreciated according to the rate at which these costs are used up. This reflects the growing importance of noise programmes for general operations in the vicinity of airports.

Assets are depreciated or amortised beginning on the recognition date, i.e. the date the asset is placed in use. Scheduled depreciation/amortisation is calculated on a straight-line basis, since 2012 beginning with the month the asset is placed in use (pro rata temporis). This change had the following effect on the annual financial statements for 2012:

Book value (theoretical) without change in estimate:	€ 1,529.4 million
Book value as of 31.12.2012:	€ 1,549.9 million
Effect	€ 20.5 million

Low-value assets are written off completely in the year of purchase.

The determination of the acquisition and production cost of property, plant and equipment is connected with uncertainty because of the on-going construction activity and associated examination requirements. This uncertainty is related primarily to recently completed construction and other projects (construction in progress).

### › Financial assets

Financial assets are recognised at cost. Impairment charges and write-ups are only recorded if the circumstances are considered to be lasting. Write-ups do not result in an increase in the carrying amount of the asset over its original cost.

Non-interest bearing loans granted by the company are discounted, while interest-bearing loans are carried at the nominal value as of the balance sheet date.

## CURRENT ASSETS

In accordance with § 206 of the Austrian Commercial Code, current assets are carried at acquisition or production cost that reflects loss-free valuation.

### › Inventories

Inventories are recognised at acquisition or production cost that reflects loss-free valuation.

### › Receivables and other assets

Identifiable risks related to receivables are reflected in valuation allowances.

Foreign currency assets are measured using the exchange rate in effect on the date of acquisition or the lower rate on the balance sheet date. Foreign currency liabilities are measured using the exchange rate in effect on the date of acquisition or the higher rate on the balance sheet date.

Revaluations permitted by § 208 (1) of the Austrian Commercial Code were not recorded in accordance with § 208 (2) of the Austrian Commercial Code, when a lower value could be retained for the determination of taxable profit under the condition that this amount can also be used in the annual financial statements.

The company did not elect to use the option provided by § 198 (10) of the Austrian Commercial Code for the capitalisation of deferred taxes.

### › Provisions

Provisions were recorded at the amount considered necessary by reasonable judgment. Detailed information on the calculation of the provisions for severance compensation, pensions and service anniversary bonuses is provided under the respective balance sheet positions.

### › Liabilities

Liabilities were recorded at their repayment amount, in accordance with the principle of conservatism.

### › Derivative financial instruments

Interest rate and foreign exchange hedges are included in the valuation of primary financial instruments. Losses arising from changes in the present value of derivative financial instruments that do not qualify for hedge accounting are expensed as incurred.

A fixed interest rate swap with a nominal value of T€ 10,000.0 and a term of five years was concluded in 2007 as a hedge against future increases in interest rates. This swap expired on 22 November 2012.

The valuation of the interest rate swap was based on recognised mathematical methods and market data available at the time of calculation.

in T€	Book value 2012	Market value 2012	Book value 2011	Market value 2011
	0.0	0.0	-240.5	-240.5

In addition, Vienna Aircraft Handling Gesellschaft m.b.H. was granted an option that provides for the purchase of the shares in Flugplatz Vöslau Betriebs GmbH by Flughafen Wien AG for a fixed price of T€ 5,562.4.

There were no other derivative financial instruments as of 31 December 2012.

## Notes to the Balance Sheet

### › Assets

#### Non-current assets

The development of the individual positions of non-current assets is shown on the attached schedule of non-current assets.

The value of land included under land and buildings is T€ 92,393.4 (2011: T€ 92,419.1).

The following write-ups were recorded to loans granted to subsidiaries: T€ 605.2 (2011: T€ 670.3) to reflect the reversal of the discount from a shareholder loan (IVW) and T€ 114.9 (2011: T€ 119.5) to a shareholder loan (KSC-Holding). Of the total loans granted, T€ 2,696.1 (2011: T€ 2,721.8) are due and payable within one year.

#### Non-Current Securities and Similar Rights

Non-current securities comprise the following:

Amounts in T€	2012	2011
Shares	494.9	494.9
Other	2,567.5	4,058.4
	3,062.4	4,553.3

The position "Other" consists mainly of the repurchase value of reinsurance for pensions (T€ 2,429.6; 2011: T€ 3,920.7).

#### Current assets

Inventories were valued using the weighted average price method or, in certain cases, the fixed price method. In individual cases, write-downs were recorded to reflect low turnover.

Valuation allowances of T€ 7,637.3 had been recorded to trade receivables as of the balance sheet date (2011: T€ 4,436.0).

As in the prior year, receivables due from subsidiaries resulted primarily from invoices for the provision of goods and services as well as contracts for the transfer of profit and loss.

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The following table shows the terms of receivables and other assets:

### › Remaining term up to one year

Amounts in T€	2012	2011
Trade receivables	40,939.7	32,469.5
Receivables due from subsidiaries	10,241.5	8,105.8
Receivables due from associates	53.0	76.5
Other receivables and assets	23,784.3	39,329.7
<b>Total</b>	<b>75,018.6</b>	<b>79,981.5</b>

### › Remaining term over one year

Amounts in T€	2012	2011
Other receivables and assets	93.1	86.5
<b>Total</b>	<b>93.1</b>	<b>86.5</b>

Other receivables and assets include T€ 1,681.4 (2011: T€ 1,453.0) of credit card settlements and T€ 770.5 (2011: T€ 1,169.3) of accrued interest, which will only become due and payable after the balance sheet date.

The major components of other receivables are as follows:

Amounts in T€	2012	2011
Receivables from taxes	20,594.5	34,941.4
Receivables from credit card companies	1,681.4	1,453.0
Accrued interest	770.5	1,169.3
Receivables from salary/wage advances	327.6	391.9
Miscellaneous receivables	503.4	1,460.6
<b>Total</b>	<b>23,877.5</b>	<b>39,416.2</b>

The receivables from taxes represent corporate income tax prepayments of € 11.2 million (2011: € 18.6 million) and value added tax credits of € 12.6 million (2011: € 22.1 million) that were offset against payroll taxes and duties due from the same taxation authority.

## Treasury shares

The company held no treasury shares as of 31 December 2012.

## Current securities

Current securities consist of the following:

Book value in T€	Book value 2012	Market value 2012	Book value 2011	Market value 2011
RZB bond (subordinated)	8,900.0	9,652.0	8,900.0	9,535.0
RLB NÖ supplementary capital	12,050.0	13,477.7	20,000.0	21,689.2
	<b>20,950.0</b>	<b>23,129.7</b>	<b>28,900.0</b>	<b>31,224.2</b>

Write-ups of T€ 752.0 to current securities would have been possible in 2012 (2011: write-ups not recorded T€ 635.0).

## Prepaid expenses and deferred charges

The company did not elect to use the option provided by § 198 (10) of the Austrian Commercial Code for the capitalisation of deferred taxes. Deferred tax assets totalled T€ 11,212.9 (2011: T€ 7,379.8).

The deferred tax assets are related primarily to employee-related provision.

## › Equity and Liabilities

### Equity

Share capital totalled € 152,670,000 as of 31 December 2012. It is divided into 21,000,000 shares of bearer common stock.

The stock issue in 1992 generated a premium of T€ 92,221.8, while the capital increase in 1995 generated a premium of T€ 25,435.5. These two amounts comprise the appropriated share premium. The statutory reserve remains unchanged at the prior year level of T€ 2,579.2.

Voluntary reserves rose from T€ 388,900.9 to T€ 400,330.9, or by T€ 11,430.0 in 2012.

Retained earnings totalled T€ 22,051.4 (2011: T€ 21,009.1).

The following table shows the development of retained earnings:

Amounts in T€	
Retained earnings as of 31.12.2011	21,009.1
- Distribution of profit	-21,000.0
+ Net profit for the year	33,350.6
+ Release of untaxed reserves	121.7
- Addition to reserves	-11,430.0
Retained earnings as of 31.12.2012	22,051.4

### Untaxed reserves

The composition and development of untaxed reserves is shown in the attached appendices 2, 3 and 4.

>



## Government grant

The company received investment subsidies from public authorities during the period from 1977 to 1985. These grants are shown separately after untaxed reserves as an extension to the legal structure of the balance sheet. The classification and development of this position are shown in the attached listing (Appendix 5).

## Provisions

The calculation of the provision for severance compensation at Flughafen Wien AG as of 31 December 2012 was based on an actuarial expert opinion, which was prepared in accordance with IFRS (IAS 19). An interest rate of 3.15% (2011: 4.5%) and the projected unit credit method were used for the calculation. The retirement age represents the first possible date for (early) retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. The biometric basis for calculation is formed by the F.W. Pagler – AVÖ 2008-P life expectancy tables for male and female employees. An assumed increase of 3.69% (2011: 3.72%) was applied to salaries. Employee turnover was included on the basis of a graduated scale ranging from one year of service (12.0%) to 19 years of service (0.25%). All actuarial gains and losses were recognised immediately to profit or loss.

The provisions for pensions were determined in accordance with actuarial principles based on IFRS (IAS 19). An interest rate of 3.15% (2011: 4.5%) and the projected unit credit method were used for the calculation. The biometric basis for calculation is formed by the F.W. Pagler – AVÖ 2008-P life expectancy tables for salaried employees. The retirement age represents the first possible date for (early) retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. An assumed increase of 3.69% (2011: 3.72%) was applied to salaries and a retirement trend of 2.1% (2011: 2.01%) was assumed. Employee turnover was included on the basis of a graduated scale ranging from one year of service (12.0%) to 19 years of service (0.25%). All actuarial gains and losses were recognised immediately to profit or loss.

The provisions for service anniversary bonuses were computed in accordance with actuarial principles based on IFRS (IAS 19). An interest rate of 3.15% (2011: 4.5%) and the projected unit credit method were used for the calculation. The biometric basis for calculation is formed by the F.W. Pagler – AVÖ 2008-P life expectancy tables for male and female employees. The retirement age represents the first possible date for (early) retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. An assumed increase of 3.69% (2011: 3.72%) was applied to salaries. Employee turnover was included on the basis of a graduated scale ranging from one year of service (12.0%) to 19 years of service (0.50%). All actuarial gains and losses were recognised immediately to profit or loss.

The provisions for semiretirement programmes were computed in accordance with actuarial principles based on IFRS (IAS 19). An interest rate of 1.0% (2011: 4.5%) and the projected unit credit method were used for the calculation. An assumed increase of 3.69% (2011: 3.72%) was applied to salaries. Ancillary payroll costs were included at approx. 21% (the maximum contribution threshold under Austrian "ASVG" social security law). All actuarial gains and losses were recognised immediately to profit or loss.

Other provisions consist mainly of the following: service anniversary bonuses: T€ 15,655.6 (2011: T€ 13,246.9), semiretirement programmes: T€ 19,487.0 (2011: T€ 20,054.6), unused vacation: T€ 8,074.0 (2011: T€ 7,743.4), bonuses for 2012 and previous

years: T€ 2,744.5 (2011: T€ 3,353.1), deliveries and services not yet invoiced: T€ 41,384.6 (2011: T€ 47,112.9), discounts: T€ 11,233.9 (2011: T€ 24,571.6), various employee-related expenses: T€ 4,878.5 (2011: T€ 8,050.6), and a provision for an impending loss from a put option of T€ 5,562.4 (2011: T€ 5,562.4) granted to Vienna Aircraft Handling Ges.m.b.H. for the acquisition of Flugplatz Vöslau BetriebsGmbH.

## Liabilities

The following table shows the terms of liabilities:

### › Remaining term up to one year

Amounts in T€	2012	2011
Amounts due to financial institutions	47,381.1	28,444.7
Prepayments received	0.0	44.0
Trade payables	58,739.6	80,798.0
Amounts due to subsidiaries	80,118.3	63,862.3
Amounts due to companies in which an investment is held	5,891.4	4,896.1
Other liabilities	46,010.9	34,474.1
<b>Total</b>	<b>238,141.3</b>	<b>212,519.2</b>

### › Remaining term from one to five years

Amounts in T€	2012	2011
Amounts due to financial institutions	108,425.0	78,175.0
Amounts due to companies in which an investment is held	764.8	0.0
Amounts due to subsidiaries	243,000.0	300,000.0
Other liabilities	3,535.3	15,609.8
<b>Total</b>	<b>355,725.1</b>	<b>393,784.8</b>

### › Remaining term over five years

Amounts in T€	2012	2011
Amounts due to financial institutions	355,133.8	382,467.5
Amounts due to subsidiaries	39,500.0	103,500.0
Other liabilities	6,537.5	7,519.5
<b>Total</b>	<b>401,171.3</b>	<b>493,487.0</b>

Of the total amounts due to subsidiaries, T€ 282,500.0 (2011: T€ 403,500.0) are related to financing and the investment of liquid funds by the subsidiaries with the parent company.

Amounts due to companies in which an investment is held consist primarily of bank deposits invested for City Air Terminal Betriebsgesellschaft m.b.H.

Other liabilities include the following expenses that will become due and payable after the balance sheet date: wages and salaries of T€ 5,470.5 (2011: T€ 7,570.7) from payroll >

accounting for December 2012 and 2011, customer credits of T€ 1,052.4 (2011: T€ 1,520.2), amounts of T€ 6,238.6 (2011: T€ 6,147.3) due to social security carriers and accrued interest of T€ 188.5 (2011: T€ 126.0).

No term deposits were pledged as collateral for amounts due to financial institutions (2011: T€ 23,000.0).

## Deferred income

Deferred income is comprised chiefly of T€ 24,181.5 (2011: T€ 25,136.0) in advance rental payments for the air traffic control tower.

## › Contingent Liabilities

In accordance with § 7 Par. 4 of the charter of the Schwechat Waste Water Association dated 10 December 2003, Flughafen Wien AG is liable as a member of this organisation for T€ 3,435.7 (2011: T€ 3,878.4) of loans related to the construction and expansion of sewage treatment facilities.

Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H., a wholly owned subsidiary of the Flughafen Wien Group, concluded a lease with HERMIONE Raiffeisen-Immobilien-Leasing GmbH in December 2005 for hangar buildings at Vienna International Airport. Flughafen Wien AG has issued a guarantee for payment of the variable leasing fees, which currently equal approximately T€ 364.5 and T€ 28.5 per month over the remaining term of 13 years, and for annual payments of T€ 479.1 on borrowing costs for construction financing over a period of 13 years. A total liability of T€ 67,573.9 (2011: T€ 85,474.1) was recorded below the balance sheet up to the end of these terms.

Flughafen Wien AG issued an open-ended comfort letter on behalf of VIE Office Park 3 BetriebsgmbH to cover current and future liabilities. This comfort letter carries a maximum liability of T€ 1,400.0.

## › Other Financial Obligations

The company had purchase obligations for intangible assets and property, plant and equipment totalling € 69.7 million as of 31 December 2012 (2011: € 114.5 million).

Flughafen Wien AG is required to carry the costs of the Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee foundation) through subsequent contributions to the fund. These costs consist primarily of corporate income tax.

The following table shows the obligations to third parties arising from the use of property, plant and equipment not shown on the balance sheet:

### › Remaining term from one to five years

Amounts in T€	2013	2013-2017
Liabilities arising from operating leases	3,500.4	17,502.0
Liabilities arising from a contract for participation rights concluded with subsidiaries	16,661.0	83,304.8
<b>Total</b>	<b>20,161.4</b>	<b>100,806.8</b>

Flughafen Wien AG has provided Landesbank Baden-Württemberg with a guarantee for the correct and timely payment of principal and interest related to the T€ 103,500.0 promissory note issued by the subsidiary VIE Malta Finance Ltd. The outstanding balance of this promissory note equalled T€ 39,500.0 as of 31 December 2012. This financing is included under amounts due to subsidiaries, and additional disclosures under contingent liabilities are therefore not required.

Flughafen Wien AG provided BAWAG/PSK, Hypo NOE Gruppe Bank AG, Raiffeisen Landesbank Oberösterreich, Raiffeisen Landesbank Niederösterreich, Raiffeisenbank International and Unicredit Bank Austria with guarantees totalling a maximum of T€ 300,000.0 for the correct and timely payment of all principal and interest payments related to the financing program contracted by the subsidiary VIE Malta Finance Ltd in accordance with an Austrian law to strengthen liquidity ("Unternehmensliquiditätsstärkungsgesetz"). The outstanding balance of this equalled T€ 239,285.7 as of 31 December 2012. This financing is included under amounts due to subsidiaries, and additional disclosures under contingent liabilities are therefore not required.

The Malta Mediterranean Link Consortium Group (MMLC) entered into a loan with a term ending in mid-2018 and an outstanding balance of € 11.1 million as of 31 December 2012. Flughafen Wien AG has agreed not to sell its investment in MMLC during the term of this loan. Furthermore, Flughafen Wien AG has confirmed the following to the lending institution: all necessary steps will be undertaken to ensure that the group's investments maintain a healthy financial position at all times; the corporate policies of Flughafen Wien AG include the fulfilment of financial obligations by MMLC at all times; and MMLC will be equipped with a financial basis that enables the company to meet its obligations at any time.

## Notes to the Income Statement

### › Revenue

Amounts in T€	2012	2011
Airport revenue	292,971.9	273,810.9
Handling revenue	144,532.7	149,946.3
Aviation revenue	437,504.5	423,757.2
Lease, rental and usage revenue, parking revenue	112,070.9	100,244.2
Other revenue	43,000.2	42,986.4
Non-aviation revenue	155,071.0	143,230.6
<b>Total revenue</b>	<b>592,575.6</b>	<b>566,987.8</b>
Thereof with subsidiaries	13,775.2	14,255.0

Aviation revenue comprises airport and handling revenues. Non-aviation revenue consists of revenues generated by energy supply and waste disposal services, IT services, rentals and concessions, passenger services, security services and other services.

All revenues were generated in Austria.

Aviation revenue rose by 3.2% to T€ 437,504.5, which generally reflects the growth in traffic.

Non-Aviation revenue recorded by Flughafen Wien AG rose by 8.3% to T€ 155,071.0. This development resulted primarily from an increase in parking revenue as well as higher turnover-based rents and rental income.

Flughafen Wien AG recorded a year-on-year increase of 1.7% in personnel expenses to T€ 217,550.9 in 2012 (2011: T€ 213,964.0). This development resulted chiefly from higher additions to the provisions for pensions and severance compensation due to changes in interest rates. However, wage costs fell by T€ 5,907.4 to T€ 84,133.5 and salaries declined T€ 3,118.3 to T€ 63,883.0. This reduction reflects the lower average number of employees during the reporting year.

Severance compensation expenses are classified as follows:

Amounts in T€	2012	2011
Change in severance compensation provision	12,231.1	-2,506.7
Severance payments	7,320.5	11,101.3
Contributions to employee severance compensation funds	1,191.8	1,069.6
<b>Total</b>	<b>20,743.4</b>	<b>9,664.2</b>

Depreciation, amortisation and impairment increased 10.2%, or T€ 9,465.2, year-on-year, to T€ 102,228.7, above all due to the start of operations in Check-in 3 and the resulting increase in scheduled depreciation. In contrast, impairment charges were substantially lower than the previous year (T€ 10,874.0; 2011: T€ 31,624.8).

Other operating expenses comprise the following:

Amounts in T€	2012	2011
Services provided by subsidiaries	48,143.9	41,775.0
Maintenance	26,466.1	20,288.4
Marketing and market communication	17,789.6	23,729.2
Third party services	14,473.5	12,190.2
Miscellaneous operating costs	7,077.4	4,080.8
Legal, audit and consulting fees	5,023.4	7,433.2
Additions to valuation allowances to receivables	4,939.1	1,083.6
Damages	4,353.1	411.5
Rentals and leasing	3,991.6	3,120.8
Insurance	3,243.5	3,356.8
Miscellaneous expenses	3,140.7	2,803.9
Losses on disposals of non-current assets	1,809.5	935.4
Postage and telecommunications expenses	1,307.1	1,365.8
Travel and training	1,302.3	1,527.6
<b>Total</b>	<b>143,060.9</b>	<b>124,102.2</b>

Information on expenses for the auditor of the annual financial statements is provided in the notes to the consolidated financial statements of Flughafen Wien AG.

Financial results totalled T€ -24,986.8 (2011: T€ -22,042.3) and consist of the following:

Amounts in T€	2012	2011
Income from investments in other companies	6,066.3	12,657.9
Thereof from subsidiaries	5,983.6	12,575.9
Income from securities and loans granted	1,523.3	1,624.1
Thereof from subsidiaries	1,517.1	1,600.0
Interest and similar income	4,629.3	6,914.8
Thereof from subsidiaries	1,826.8	2,201.1
Income from the disposal and write-up of financial assets	1,563.9	2,601.9
Thereof from the write-up of loans	733.4	831.3
Interest and similar expenses	-38,769.7	-45,841.0
Thereof due to subsidiaries	-16,479.4	-23,640.4
<b>Total</b>	<b>-24,986.8</b>	<b>-22,042.3</b>

Income from investments in other companies includes income of T€ 1,503.6 (2011: T€ 1,694.9) from contracts for the transfer of profit and loss.

Since 2005, Flughafen Wien AG has served as the head of a tax group as defined in § 9 of the Austrian Corporate Tax Act. The head of the group charges or (in the case of a loss) credits corporate income tax to the members of the group based on their individual tax liability (or credit). Income tax expenses amounted to T€ 10,934.3 for the reporting year >

(2011: T€ 10,426.5) and include the tax expense of the head of the group for that year as well as tax income of T€ 1,402.9 related to a prior accounting period.

The theoretical income tax expenses attributable to profit on ordinary activities amounted to T€ 11,071.2 (2011: T€ 14,222.3). The actual tax rate in 2012 equalled 24.7%, compared with 18.3% in the previous year.

As in the prior year, deferred taxes that could have been capitalised in accordance with § 198 (10) of the Austrian Commercial Code were not recorded in 2012.

## Other Information

### › Corporate Bodies and Employees

#### **The members of the Supervisory Board in 2012 are listed below:**

Gabriele DOMSCHITZ  
Bettina GLATZ-KREMSNER  
Erwin HAMESEDER  
Burkhard HOFER  
Ewald KIRSCHNER  
Franz LAUER  
Hans-Jürgen MANSTEIN  
Alfons METZGER  
Claus J. RAIDL  
Wolfgang RUTTENSTORFER

#### **Delegated by the Works' Committee:**

Manfred BIEGLER  
Thomas SCHÄFFER  
Dieter ROZBORIL (up to 06.12.2012)  
Heinz WESSELY  
Heinz STRAUBY (as of 19.04.2012)  
Karl HROMADKA (up to 19.04.2012)  
Michael STRASSEGGER (as of 06.12.2012)

#### **Chairman of the Supervisory Board:**

Erwin HAMESEDER

#### **His Deputies:**

Ewald KIRSCHNER  
Wolfgang RUTTENSTORFER

#### **Representative of the Supervisory Authorities:**

Josef HACKL (up to 29.04.2012)

**The members of the Management Board in 2012 were:**

Julian JÄGER  
Günther OFNER

The average number of employees was as follows:

	2012	2011
Wage employees	2,220	2,301
Salaried employees	1,046	1,084
<b>Total</b>	<b>3,266</b>	<b>3,385</b>

The members of the Management Board of Flughafen Wien AG received the following remuneration for their work in 2012 and 2011:

**› Management Board remuneration in 2012 (payments)<sup>1</sup>**

in T€	Fixed compensation	Performance based compensation for 2011	Non-cash remuneration	Termination benefits	Total remuneration
Günther Ofner	252.7	80.8	7.2	0.0	340.8
Julian Jäger	252.7	80.8	7.1	0.0	340.7
	<b>505.5</b>	<b>161.6</b>	<b>14.3</b>	<b>0.0</b>	<b>681.5</b>

1) Excluding payments to pension funds

**› Management Board remuneration in 2011 (payments)**

in T€	Fixed compensation	Performance based compensation for 2010	Non-cash remuneration	Termination benefits	Total remuneration
Gerhard Schmid	256.7	84.8	7.5	323.2	672.1
Ernest Gabmann	256.7	84.8	7.2	50.7	399.3
Christoph Herbst	166.6	0.0	0.0	0.0	166.6
Günther Ofner	80.6	0.0	2.3	0.0	82.9
Julian Jäger	80.6	0.0	2.3	0.0	82.9
	<b>841.2</b>	<b>169.5</b>	<b>19.3</b>	<b>373.9</b>	<b>1,403.9</b>

The performance-based compensation represents bonuses for the 2011 financial year, which were paid out during 2012.

On behalf of Julian Jäger and Günther Ofner, the company makes payments equalling 15% of the respective salary to a pension fund. The contribution for each board member amounted to T€ 44.6 in 2012 (2011: T€ 12.1).

Remuneration paid to former members of the Management Board amounted to T€ 1,169.4 (2011: T€ 1,450.8).

The total expenses for severance compensation and pensions, excluding former >



members of the Management Board, amounted to T€ 205.3 (2011: T€ 736.1) for the members of the Management Board and key employees. The comparable amount for other employees was T€ 25,552.7 (2011: T€ 12,787.8).

The members of the Supervisory Board received attendance fees and remuneration of T€ 107.8 in 2012 (2011: T€ 141.1).

As of 31 December 2012, there were no outstanding receivables from advances or loans granted to the members of the Supervisory Board or Management Board.

Schwechat, 26 February 2013

**The Management Board:**



**Günther Ofner**  
Member, CFO



**Julian Jäger**  
Member, COO



# Appendix to the Notes

## › Development of Non-Current Assets from 1 January 2012 to 31 December 2012

### Appendix 1 to the Notes

Development of acquisition and production cost				
Non-current assets in €	Balance on 1.1.2012	Direct additions	Reclassification	Disposals
<b>I. Intangible assets</b>				
Concessions and rights	31,105,710.59	3,277,160.19	5,914,757.59	2,140,608.81
<b>II. Property, plant and equipment</b>				
1. Land and buildings, including buildings on land owned by third parties	675,435,648.00	54,693,966.28	701,670,853.32	28,391,266.87
2. Machinery and equipment	655,968,200.63	11,675,814.20	125,701,787.81	20,678,726.37
3. Other equipment, furniture, fittings and office equipment	184,534,913.22	25,205,377.11	29,225,044.52	14,702,794.02
4. Prepayments made and construction in progress	922,698,118.32	14,241,497.18	-862,512,443.24	1,487,443.17
Subtotal	2,438,636,880.17	105,816,654.77	-5,914,757.59	65,260,230.43
<b>III. Financial assets</b>				
1. Shares in subsidiaries	192,465,748.10	0.00	0.00	9,100.00
2. Loans granted to subsidiaries	52,677,223.71	0.00	0.00	3,892,765.35
3. Investments in other companies	9,116,686.50	0.00	0.00	0.00
4. Non-current securities (rights)	4,553,299.54	81,264.86	0.00	1,572,161.39
5. Other loans granted	1,510,683.89	463,860.15	0.00	1,254,210.91
Subtotal	260,323,641.74	545,125.01	0.00	6,728,237.65
<b>Total</b>	<b>2,730,066,232.50</b>	<b>109,638,939.97</b>	<b>0.00</b>	<b>74,129,076.89</b>

Book values							
Balance on 31.12.2012	Accumulated depr./amort. 31.12.2012	Reclassifications depr./amort.	Balance on 31.12.2012	Balance on 1.1.2012	Depr./amort. for current financial year	Write-ups for current financial year	
38,157,019.56	23,091,971.01	0.00	15,065,048.55	9,536,016.02	3,585,060.03	0.00	
1,403,409,200.73	287,721,143.31	31,635,967.89	1,115,688,057.42	451,735,812.70	44,656,468.38	0.00	
772,667,076.27	504,087,637.35	-11,173.27	268,579,438.92	164,522,637.68	32,889,272.05	0.00	
224,262,540.83	146,680,892.17	0.00	77,581,648.66	44,746,143.27	21,097,872.52	0.00	
72,939,729.09	0.00	-31,624,794.62	72,939,729.09	891,073,323.70	0.00	0.00	
2,473,278,546.92	938,489,672.83	0.00	1,534,788,874.09	1,552,077,917.35	98,643,612.95	0.00	
192,456,648.10	1,700,000.00	0.00	190,756,648.10	190,765,748.10	0.00	0.00	
48,784,458.36	2,481,551.81	0.00	46,302,906.55	49,475,571.65	0.00	-720,100.25	
9,116,686.50	0.00	0.00	9,116,686.50	9,116,686.50	0.00	0.00	
3,062,403.01	0.00	0.00	3,062,403.01	4,553,299.54	0.00	0.00	
720,333.13	0.00	0.00	720,333.13	1,326,141.22	0.00	-13,286.32	
254,140,529.10	4,181,551.81	0.00	249,958,977.29	255,237,447.01	0.00	-733,386.57	
2,765,576,095.58	965,763,195.65	0.00	1,799,812,899.93	1,816,851,380.38	102,228,672.98	-733,386.57	

## › Development of Valuation reserve based on special depreciation

### Appendix 2 to the Notes

Amounts in €	Balance on 1.1.2012	Use to cover direct depreciation	Reversal to disposed assets	Addition	Balance on 31.12.2012
<b>I. Property, plant and equipment</b>					
1. Land and buildings	1,227,833.00	0.00	231.77	0.00	1,227,601.23
2. Machinery and equipment	1,094,899.68	430.14	1,343.61	0.00	1,093,125.93
3. Other equipment, furniture, fixtures and office equipment	2,284,370.83	41,608.90	65,208.60	0.00	2,177,553.33
<b>Total</b>	<b>4,607,103.51</b>	<b>42,039.04</b>	<b>66,783.98</b>	<b>0.00</b>	<b>4,498,280.49</b>

## › Development of Valuation reserve based on transfer of undisclosed reserves in acc. with § 12 Austrian income tax act

### Appendix 3 to the Notes

Amounts in €	Balance on 1.1.2012	Use to cover direct depreciation	Addition	Balance on 31.12.2012
<b>I. Property, plant and equipment</b>				
1. Land and buildings	5,022,300.01	1,453.18	0.00	5,020,846.83
<b>Total</b>	<b>5,022,300.01</b>	<b>1,453.18</b>	<b>0.00</b>	<b>5,020,846.83</b>

## › Development of other untaxed reserves

### Appendix 4 to the Notes

#### › Investment allowance in acc. with § 10 of the Austrian Income Tax Act

Amounts in €	Balance on 1.1.2012	Reversal	Addition	Balance on 31.12.2012
1994	5,412.31	5,412.31	0.00	0.00
1996	4,647.35	4,647.35	0.00	0.00
1997	452.57	452.57	0.00	0.00
1998	886.72	886.72	0.00	0.00
2000	159,203.15	0.00	0.00	159,203.15
<b>Total</b>	<b>170,602.10</b>	<b>11,398.95</b>	<b>0.00</b>	<b>159,203.15</b>

## › Development of government grants

### Appendix 5 to the Notes

Amounts in €	Balance on 1.1.2012	Disposal	Reversal	Addition	Balance on 31.12.2012
<b>I. Property, plant and equipment</b>					
1. Land and buildings	1,648,109.36	0.00	225,570.35	0.00	1,422,539.01
2. Machinery and equipment	199,261.51	0.00	38,676.38	0.00	160,585.13
3. Other equipment, furniture, fixtures and office equipment	82,285.70	0.00	13,972.48	0.00	68,313.22
<b>Total</b>	<b>1,929,656.57</b>	<b>0.00</b>	<b>278,219.21</b>	<b>0.00</b>	<b>1,651,437.36</b>

# Investments of Flughafen Wien AG

## Appendix 6 to the Notes

### › Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

The commercial leasing of assets, in particular real estate, as well as the acquisition of property and buildings at Vienna Airport.

in T€	2012	2011
Equity	88,837.2	79,294.5
Revenue	16,661.0	16,118.4
Net profit for the period	11,522.7	1,981.0

### › Vienna Aircraft Handling Gesellschaft m.b.H. (VAH)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Provision of a full range of services for general aviation and, in particular, for business aviation; major revenue generators are private aircraft handling and aircraft handling services provided on behalf of Flughafen Wien AG in the general aviation sector (incl. fuelling and the provision of hangar space).

in T€	2012	2011
Equity	5,583.4	5,583.4
Revenue	12,133.0	11,733.2
Net profit for the period	1,503.6	1,694.9

### › Vienna Airport Infrastruktur Maintenance GmbH (VAI)

<b>Headquarters:</b>	Schwechat	
<b>Share owned:</b>	100% VIE	
Provision of services for electrical facilities and equipment as well as the construction of electrical and supply facilities, in particular technical equipment for airports, and the installation of electrical infrastructure.		
<b>in T€</b>	<b>2012</b>	<b>2011</b>
Equity	2,573.3	2,497.0
Revenue	15,218.4	12,765.2
Net profit for the period	1,175.9	1,150.2

### › Vienna International Airport Security Services Ges.m.b.H. (VIAS)

<b>Headquarters:</b>	Schwechat	
<b>Share owned:</b>	100% VIE	
Provision of security services (persons and hand luggage) on behalf of the Austrian Ministry of the Interior, and various other services for aviation customers (wheelchair transport, control of oversize baggage, document control etc.); the company also participates in tenders for the provision of security services at other airports through its Austrian and foreign subsidiaries.		
<b>in T€</b>	<b>2012</b>	<b>2011</b>
Equity	11,545.0	7,456.8
Revenue	47,200.6	39,238.3
Net profit/loss for the period	4,085.8	-89.8

### › VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)

<b>Headquarters:</b>	Schwechat	
<b>Share owned:</b>	100% VIE	
Holding company for the BPIB, VOPE, MAZUR and VWTC subsidiaries, which are active in the purchase, development and marketing of property under their ownership.		
<b>in T€</b>	<b>2012</b>	<b>2011</b>
Equity	23,614.4	50,257.6
Revenue	0.0	0.0
Loss/net profit for the period	-25,243.2	1,416.3

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### › Vienna International Airport Beteiligungsholding GmbH (VIAB)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Acquisition and investment in international subsidiaries and other companies; participation in international airport privatisation programmes; this company serves as the holding company for the VINT subsidiary.

in T€	2012	2011
Equity	57,634.2	57,596.4
Revenue	0.0	0.0
Net profit for the period	37.8	49.1

### › VIE Shops Entwicklungs- und Betriebsgesellschaft m.b.H (VIE-Shops)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Planning, development, marketing and operation of shops at airports in Austria and other countries.

in T€	2012	2011
Equity	4.5	8.1
Revenue	0.0	0.0
Loss for the period	-3.6	-4.1

### › City Air Terminal Betriebsgesellschaft m.b.H. (CAT)

**Headquarters:** Schwechat

**Share owned:** 50.1% VIE

Operation of the City Airport Express as a railway operator from the "Wien-Mitte" transit centre to and from Vienna International Airport; operation of check-in facilities at the "Wien-Mitte" transit centre combined with baggage logistics for airport passengers; consulting for third parties on the organisation and development of traffic connections between airports and cities.

in T€	2012	2011
Equity	13,823.3	12,377.8
Revenue	10,364.7	9,726.7
Net profit for the period	1,445.6	473.5

### › SCA Schedule Coordination Austria GmbH (SCA)

<b>Headquarters:</b>	Schwechat
<b>Share owned:</b>	49% VIE

Schedule coordinator for airports in Austria, e.g. the company allocates time slots to aircraft in accordance with EU law, principles defined by the IATA and applicable legal regulations, and also carries out other activities that are directly or indirectly related to the business of the company.

in T€	2012 <sup>1</sup>	2011
Equity	629.8	674.5
Revenue	845.6	871.6
Loss/net profit for the period	-18.8	5.4

1) Preliminary values

### › BTS Holding a.s. "v likvidácii"(BTSH)

<b>Headquarters:</b>	Bratislava, Slovakia
<b>Share owned:</b>	47.7% VIE 33.25% VINT

Provision of services and consulting for airports; plans also call for the company to hold the intended investment in Bratislava Airport.

IFRS values in T€	2012	2011
Equity	3,400.5	1,104.1
Revenue	0.0	0.0
Net profit/loss for the period	2,296.4	-117.9

### › KSC Holding a.s. (KSCH)

<b>Headquarters:</b>	Bratislava, Slovakia
<b>Share owned:</b>	47.7% VIE 52.3% VINT

Holding company for the 66% investment in Košice Airport as well as the provision of consulting services.

IFRS values in T€	2012	2011
Equity	30,052.7	29,151.0
Revenue	0.0	0.0
Net profit/loss for the period	901.7	-13,143.0

### › VIE ÖBA GmbH (OEBA)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Provision of all types of construction and construction-related services, among others for construction projects realised by Flughafen Wien AG or other companies.

in T€	2012	2011
Equity	688.9	378.3
Revenue	6,250.1	6,424.2
Net profit for the period	310.6	400.7

### › Vienna Auslands Projektentwicklung und Beteiligung GmbH (VAPB)

**Headquarters:** Schwechat

**Share owned:** 100% VIE

Acquisition of international subsidiaries and investments in other companies.

in T€	2012	2011
Equity	23.5	49.4
Revenue	0.0	488.7
Loss/net profit for the period	-25.9	16.0

### › VIE Malta Finance Holding Ltd. (VIE MFH)

**Headquarters:** Luqa, Malta

**Share owned:** 99.95% VIE 0.05 % VIAB

Holding company for the subsidiary VIE Malta Finance Ltd.

IFRS values in T€	2012	2011
Equity	7,958.9	950.3
Revenue	0.0	0.0
Net profit/loss for the period	7,008.6	-28.6

# Statement by the Members of the Management Board

In accordance with § 82 of the Austrian Stock Corporation Act

## › Financial Statements

We confirm to the best of our knowledge that the separate financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Schwechat, 26. Februar 2013

**The Management Board:**



**Günther Ofner**  
Member, CFO



**Julian Jäger**  
Member, COO

# Auditor's Report

## Report on the Financial Statements

We have audited the accompanying financial statements, including the accounting system, of

**Flughafen Wien Aktiengesellschaft,  
Schwechat, Austria,**

for the fiscal year from 1 January 2012 to 31 December 2012. These financial statements comprise the statement of financial position as of 31 December 2012, the income statement for the fiscal year 2012, and the notes.

### › **Management's Responsibility for the Financial Statements and for the Accounting System**

The Company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### › **Auditors' Responsibility and Description of Type and Scope of the statutory audit**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### › **Opinion**

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2012 and of its financial performance for the year from 1 January 2012 to 31 December 2012 in accordance with Austrian Generally Accepted Accounting Principles.

### › **Report on Other Legal Requirements (Management Report)**

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report is consistent with the financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 4 March 2013

#### **KPMG Austria AG**

Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:

**Heidi Schachinger**

Wirtschaftsprüferin

**Michael Schlenk**

Wirtschaftsprüfer

(Austrian Chartered Accountants)

# Imprint

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**The Flughafen Wien Group provides the following information in the Internet:**

**Flughafen Wien AG website:**

<http://www.viennaairport.com>

**Noise protection programme at Vienna International Airport:**

<http://www.laermschutzprogramm.at>

**The environment and aviation:**

<http://www.vie-umwelt.at>

**Facts & figures on the third runway:**

<http://www.drittepiste.viennaairport.com>

**Dialogue forum at Vienna International Airport:**

<http://www.dialogforum.at>

**Mediation process (archive):**

<http://www.viemediation.at>

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This Annual Report was prepared by



on behalf of Flughafen Wien AG.



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## **Disclaimer:**

This annual report contains assumptions and forecasts, which were based on information available up to the copy deadline on 26 February 2013. If the premises for these forecasts do not occur or risks indicated in the risk report arise, actual results may vary from these estimates. Although the greatest caution was exercised in preparing data, all information related to the future is provided without guarantee. The Annual Report 2012 of Flughafen Wien AG is also available on our homepage <http://ir.viennaairport.com> under the menu point "Publications and reports"



[www.viennaairport.com](http://www.viennaairport.com)