FLUGHAFEN WIEN AG

Q1/2018 Results

Vienna International Airport

Positive decision of the Federal Administrative Court for the 3rd Runway

- **The positive ruling by the court of second instance in favour of the 3rd Runway project was published by the Federal Administrative Court on March 28, 2018.**
  - This represents a future-oriented step to strengthen Austria as a business and tourism location and provide attractive growth perspectives to Vienna as a flight hub.

- **Next steps:**
  - Project opponents have filed an appeal against this decision with the Austrian Constitutional Court and the Higher Administrative Court – another phase of uncertainty and delay for the project.

Q1/2018: Guidance raised once again due to excellent passenger development

Q1/2018 – Passenger growth in Vienna of 6.6% (Group: +9.0%); strong increase in passenger volume in Malta (+19.4%) and Kosice (+19.9%)

Revenue increased to € 163.9 million (+2.1%), EBITDA up 6.9% to € 64.8 million, EBIT even improved by 28.1% to € 33.3 million

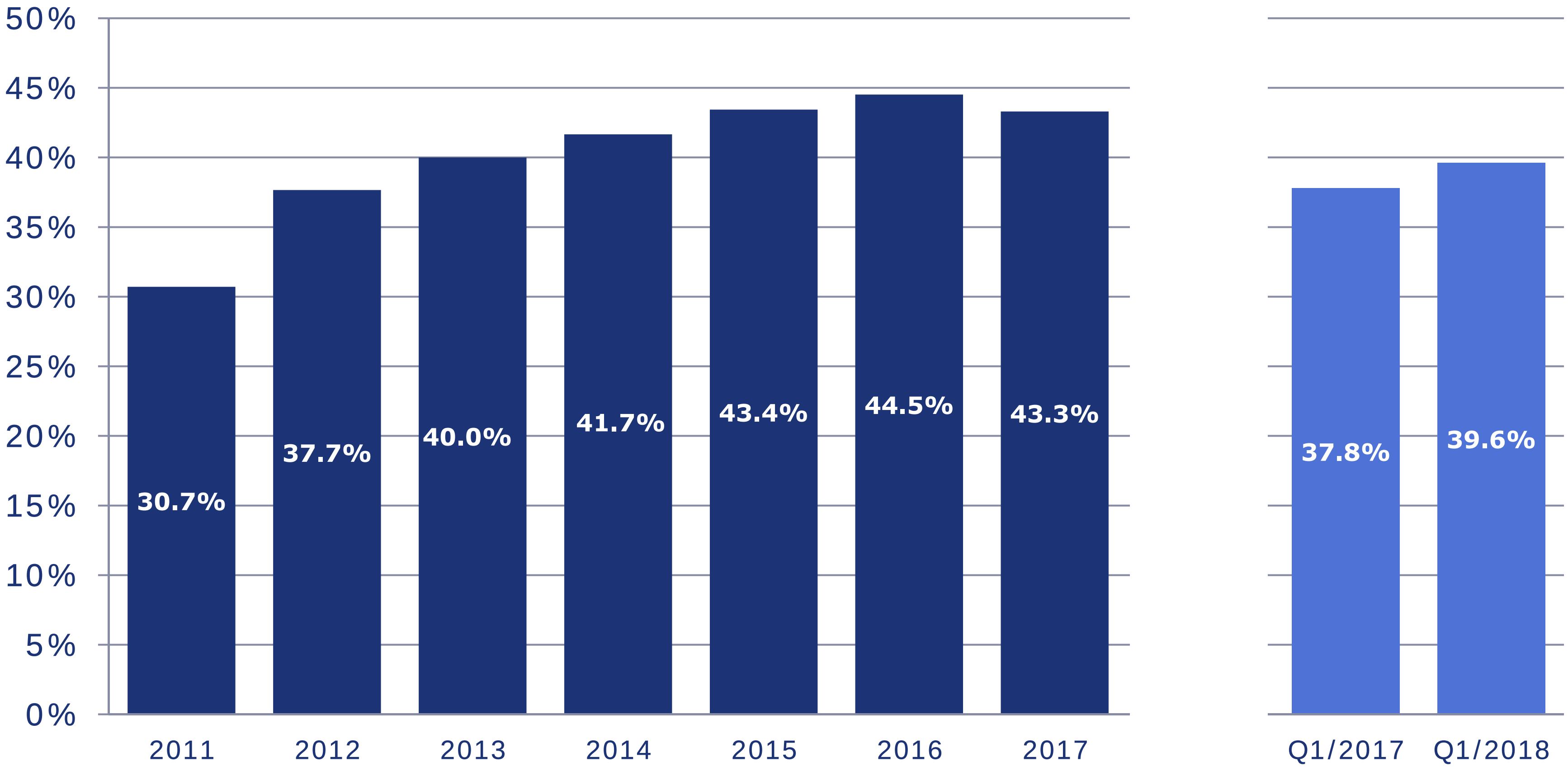
Net profit for the period[1] rose to € 21.6 million (+35.3%)

Net debt reduced to € 193.2 million (down € 33.8 million from the end of 2017)

Guidance for 2018: passenger volume now expected to increase by 6% in Vienna and 8% for the Group due to the good traffic results up until now in 2018 – the targeted level is now revenue of over € 770 million, EBITDA exceeding € 350 million and the profit for the period of at least € 148 million

1) Net profit for the period before non-controlling interests

Sustainably positive development of the EBITDA margin documents substantial improvement of productivity



Figures adjusted for 2011-2016 due to FMA decision

Good earnings due to one-off real estate effect, revenue development and lower depreciation and amortisation

in € million	Q1/2018	Q1/2017	Δ in %
Revenue	163.9	160.6	+2.1
Earnings before interest, tax, depreciation and amortization (EBITDA)	64.8	60.7	+6.9
Earnings before interest and taxes (EBIT)	33.3	26.0	+28.1
Financial results	-4.1	-4.5	+9.4
Earnings before tax (EBT)	29.3	21.5	+35.9
Net profit for the period	21.6	15.9	+35.3
Net profit for the period after non-controlling interests	20.5	14.9	+37.2

- Revenue increase in all segments despite price adjustments in apron handling and the partially dampening effect of incentives on income
  - The positive effect of passenger growth in the Airport Segment are in contrast to adjustments made to incentives to strengthen airline bases at Vienna Airport, in which case income of this segment is not rising to the same extent as passenger volumes.
  - Furthermore, costs recognised up until now as marketing and market communications expenses are now reported in the incentive model. For this reason, the item other operating expenses are € 2.9 million below the prior-year level.
- Slight rise in cost level: higher personnel expenses, slight rise in personnel expenses, drop in other operating expenses
- Strong improvement in EBIT thanks to lower level of depreciation and amortisation and non-recurrence of an impairment loss

Vienna International Airport

Only slight rise in costs despite increase in the number of employees and the cold winter

- Expenses for consumables and services used up by € 0.7 million due to higher consumption of de-icing material and district heat
- Personnel expenses rose by € 2.6 million as a result of
  - salary increases mandated by collective wage agreements, change in the number of employees resulting from the first-time consolidation of GETS (GetService Dienstleistungs-gesellschaft with 63 employees)
  - allocations to provisions

in € million	Q1/2018	Q1/2017	Δ in %
Consumables and services used	-11.3	-10.6	+6.5
Personnel expenses	-70.2	-67.6	+3.9
Other operating expenses	-23.8	-24.4	-2.5
Depreciation, amortisation and impairment reversals	-31.5	-34.6	-9.0

- Substantial decline of € 3.1 million in depreciation and amortisation:
  - Previous period included impairment losses of € 0.4 million
  - Parts of the signage, security and monitoring facilities were completely written off in the previous year.

Reduction of net debt by € 33.8 million since end of 2017

	Q1/2018	Q1/2017	Δ in %
Net debt (€ million)[1]	193.2	227.0	-14.9
Gearing (%)[1]	15.7	18.7	n.a.
Cash flow from operating activities (€ million)	52.9	66.5	-20.4
Free cash flow (€ million)	13.0	40.7	-68.0
CAPEX (€ million)[2]	71.3	35.6	+99.9
Equity (€ million)[1]	1,233.1	1,211.0	+1.8
Equity ratio (%)[1]	57.7	58.7	n.a.

- Net debt clearly below target of under € 250 million
- Free cash flow below the prior-year figure due to higher level of receivables (incentives were cash effective earlier this year) and lower advance payments as well as higher investments

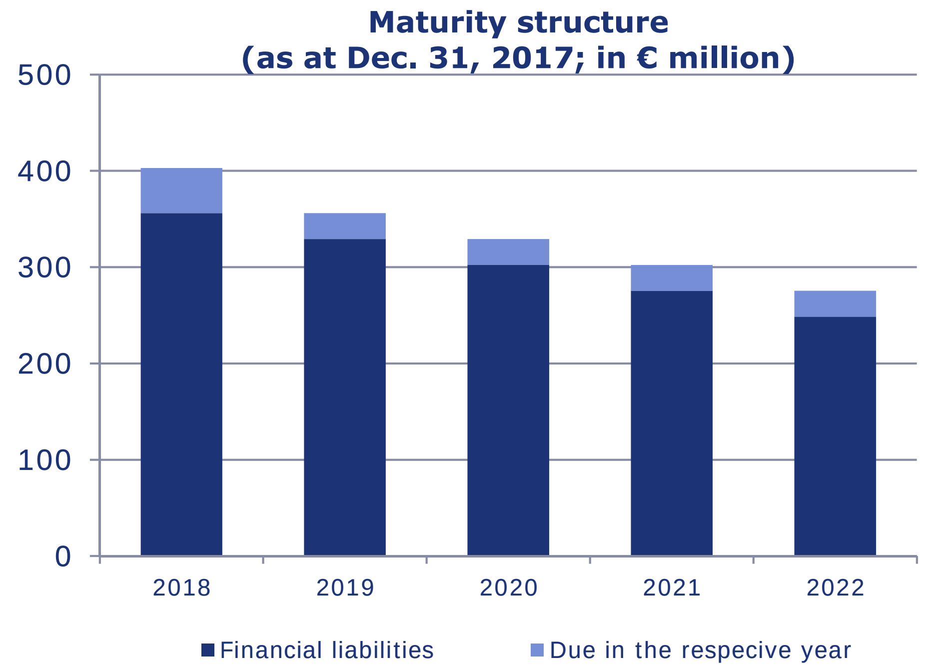
1) Comparison of March 31, 2018 vs. December 31, 2017
2) Excluding financial assets

Vienna International Airport

Ongoing positive development of net debt and gearing

- Net debt down by € 33.8 million to € 193.2 million
- Slight rise in non-current assets: capitalisation of payment obligations to the environmental fund in connection with the 3rd Runway project
- Increase in current assets due to rise in receivables and other assets (investments in time deposits of € 20.0 million and other receivables related to the sale of a commercial property to DHL for € 5.3 million) as well as the rise in cash and cash equivalents
- Rise in equity due to good profit for the period
- Slight drop in non-current liabilities, mainly as a result of reclassifications in line with the repayment profile
- Increase in current liabilities attributable to higher personnel provisions, reclassifications of financial liabilities and recognition of a payment obligation to the environmental fund in connection with the 3rd Runway project

	March 31, 2018	Dec. 31, 2017	Δ in %
Net debt (€ million)	193.2	227.0	-14.9
Gearing (%)	15.7	18.7	n.a.



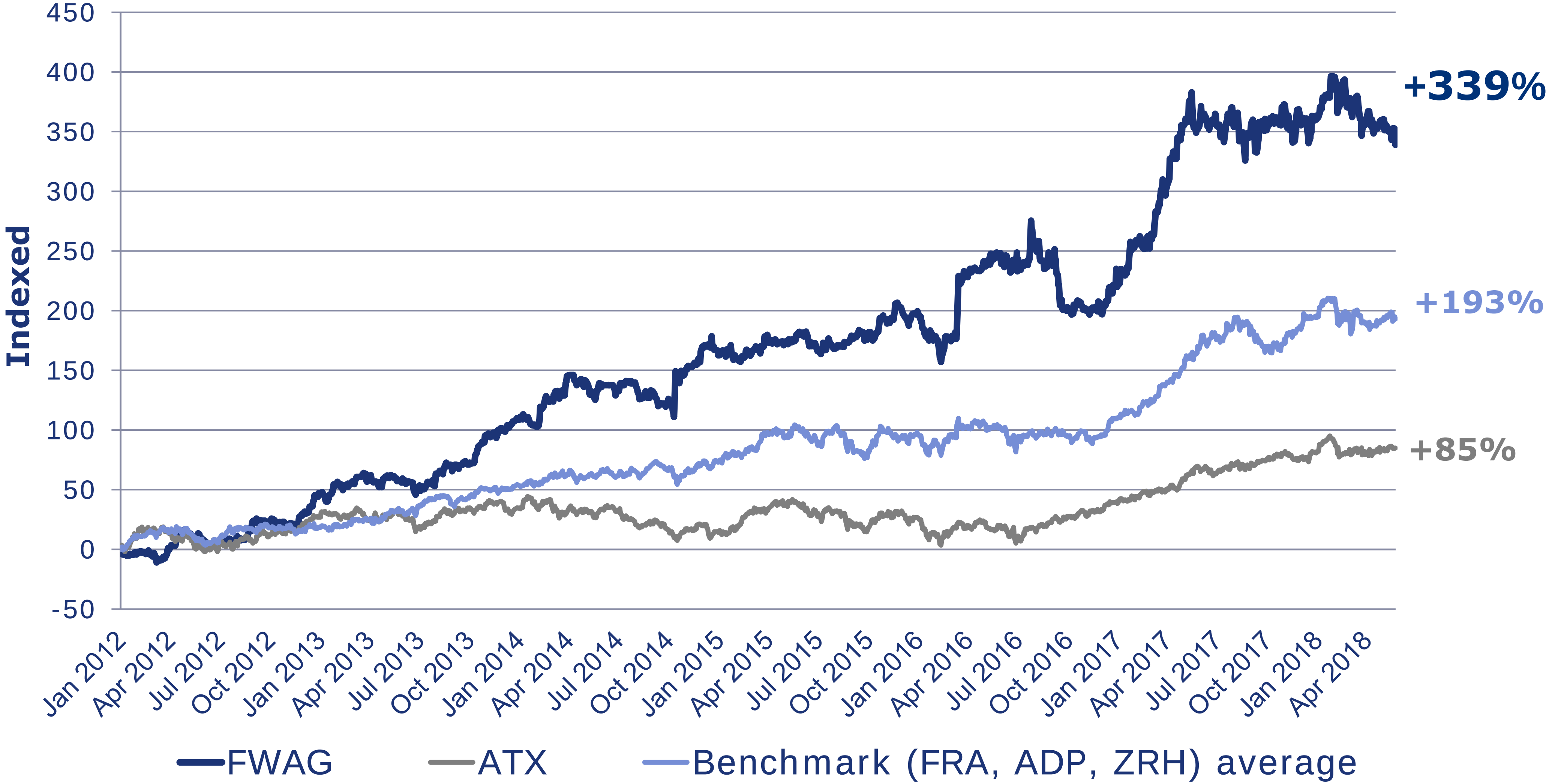
Improved operating cash flow

in € million	Q1/2018	Q1/2017	Δ in%
Cash flow from operating activities	52.9	66.5	-20.4
Cash flow from investing activities	-39.9	-25.8	+54.9
Cash flow from financing activities	-2.8	-32.5	-91.4
Free cash flow	13.0	40.7	-68.0

- Free cash flow below the previous year due to higher receivables (incentives were cash effective earlier this year), lower advance payments and higher investments
- Cash flow from operating activities: increase as a result of improved earnings, but higher level of receivables and lower advance payments
- Cash flow from investing activities: investments of € 20.0 million and cash outflows of € 20.0 million for time deposits in Q1/2018 are in contrast to Q1/2017 investments of € 35.6 million and net cash inflows of € 10.0 million from time deposits.
- Cash flow from financing activities: attributable to redemption of financial liabilities to the amount of € 18.2 million as well as cash inflows related to the taking up of cash advance totalling € 15.4 million for short-term financing purposes
- Investments (CAPEX) at € 71.3 million (Q1/2017: € 35.6 million): largest additions in Vienna related to the 3rd Runway project to the amount of € 56.8 million, € 1.9 million for the terminal development project, € 1.8 million for high-performance snow cutter blowers and € 0.7 million for Office Park 4. Terminal modernisation work at Malta Airport involved investments of € 1.3 million. The disposals related to real estate sales of € 2.3 million and technical facilities.

Vienna International Airport

Share price development since Jan. 2012: market capitalisation +339% to € 2.7 bn



Share price development of January 1, 2012 to May 23, 2018

Vienna Airport continues to grow

Higher investments, business location projects, attractive office offering, new services

- 25,000 m² state of the art office space as a result of € 60 million in investments in Office Park 4
  - Ground-breaking ceremony April 2018 – completion at the beginning of 2020
  - New: connecting bridge to Car Park 3

- Search for potential investors for a third hotel at the airport
- New healthcare centre – Start in the fall of 2018
- Business location projects: ongoing high demand; more than 1,000 new jobs to be created at the site in 2018
- DHL moves freight activities to Vienna Airport to a logistics centre with a handling area of 12,000 square metres

Improved outlook for 2018

	Outlook 2018
Revenue	> € 770 million
EBITDA	> € 350 million
Group net profit[1]	> € 148 million
Net debt	< € 250 million
CAPEX	> € 175 million

1) Before non-controlling interests

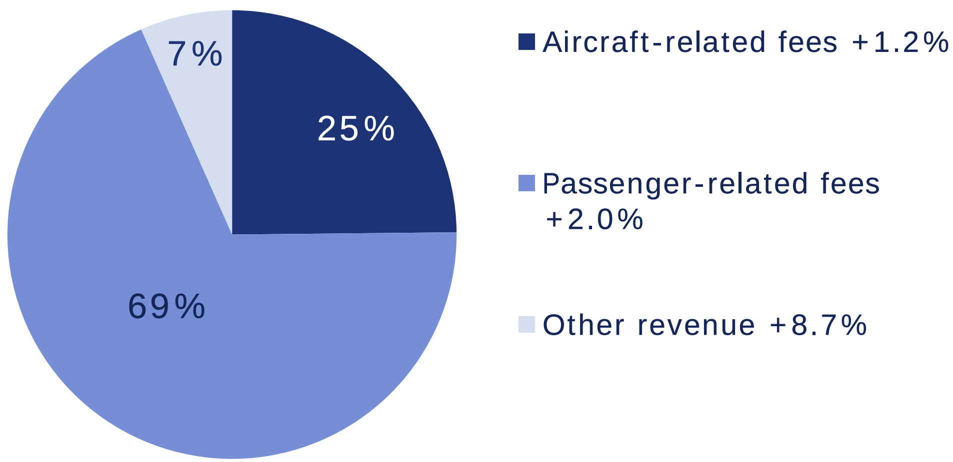
SEGMENT RESULTS Q1/2018

Airport: Positive traffic development continues

- Passenger volume up 6.6% to 4.9 million passengers
- Austrian Airlines, Eurowings and easyJet were the main growth drivers underlying this positive development
- Growth also in the number of flight movements
- Positive effect of traffic growth dampened by higher incentives:
  - Decline in passenger-related fees due to market exit of airberlin/NIKI
  - New traffic shows lower average income per passenger, thus revenue could not be increased to the same extent as passengeer volumes
  - It should be noted that marketing expenses recognised up until now in other operating expenses are now reported under the incentive model
- Relief in the cost level also reflected in EBITDA and EBIT

in € million	Q1/2018	Q1/2017	Δ in %
External revenue	76.7	75.0	+2.2
EBITDA	30.3	27.3	+10.9
EBIT	9.9	4.7	+110.5

Revenue distribution Q1/2018 in the Airport Segment

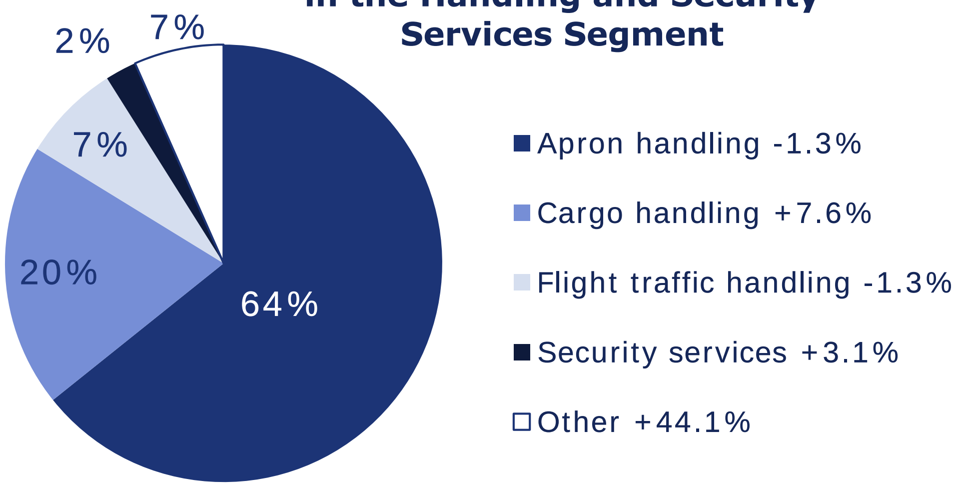


Handling & Security Services: Revenue rise related to de-icing during the cold winter more than compensated for price adjustments

- ✈ Revenue increase despite price adjustments for apron handling due to higher de-icing income related to the cold winter and the positive development of cargo handling
- ✈ Initial consolidation of GET Service also made a positive contribution
- ✈ Higher cost level mainly attributable to consumsables (de-icing material) but also as a result of increase in the number of employees
- ✈ Increased EBITDA and EBIT (+6.8% and +5.1% respectively)

in € million	Q1/2018	Q1/2017	Δ in %
External revenue	40.0	39.0	+2.6
EBITDA	4.1	3.8	+6.8
EBIT	2.6	2.5	+5.1

Revenue distribution Q1/2018 in the Handling and Security Services Segment



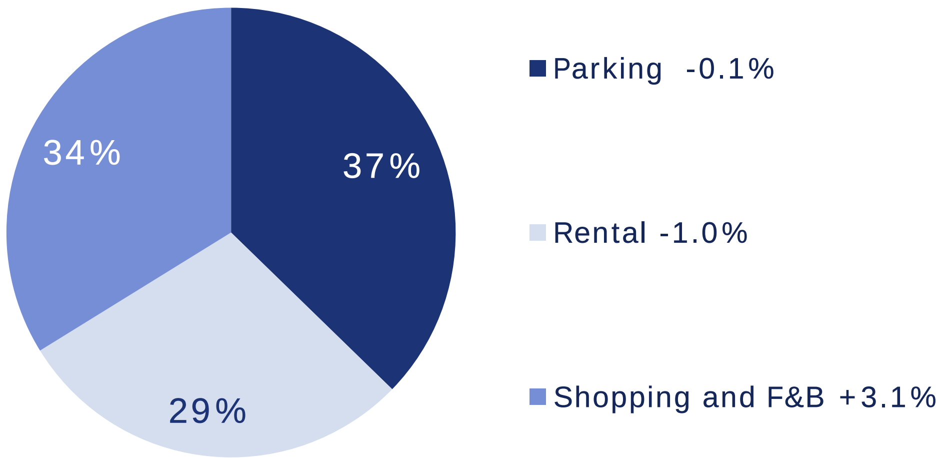
The Handling & Security Services Segment also includes VAH (Handling General Aviation) and security services by VIAS and VPHS

Retail & Properties: Slight rise in revenue

- Shopping and F&B: revenue up 3.1%, PRR at € 2.07 vs. € 2.15 in Q1/2017 due to strong rise in passenger volumes
- Rental income viritually unchanged (€ -0.1 million)
- Parking income remained constant despite pressure from modal split
- Improved EBITDA and EBIT related to positive revenue development and lower rise in costs

in € million	Q1/2018	Q1/2017	Δ in %
External revenue	29.6	29.4	+0.7
EBITDA	20.3	18.0	+12.7
EBIT	15.9	13.5	+17.5

Revenue distribution Q1/2018 in the Retail & Properties Segment

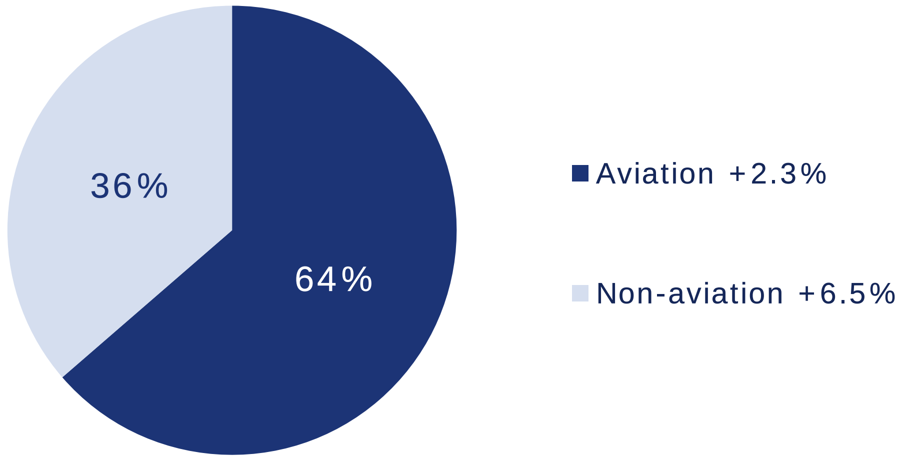


Malta: Earnings improvement driven by strong passenger growth

- Passenger volume up 19.4% in Q1/2018
- Revenue up 3.8%, somewhat lower due to growth-based incentive model promoting flight traffic in the winter months
- Moderate rise in the cost level mainly related to increase in the number of employees
- Terminal investments designed to prepare Malta for further growth
- Approval of master plan: landside expansion of the Airport City

in € million	Q1/2018	Q1/2017	Δ in %
External revenue	13.9	13.4	+3.8
EBITDA	5.8	5.6	+3.8
EBIT	3.5	3.5	+0.9

Revenue distribution Q1/2018 in the Malta Segment



Results of strategic investments

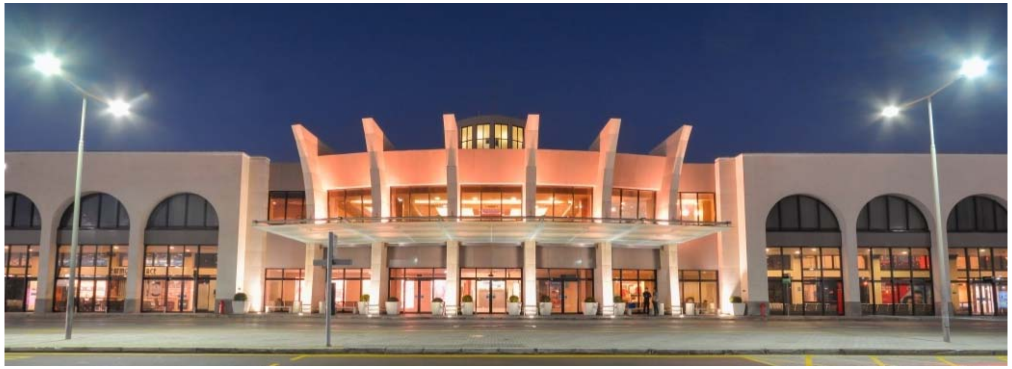
Malta Int. Airport

Q1/2018

- About 1.2 million passengers (+19.4%)

2017

- About 6.0 million passengers (+17.5%)
- Revenue: € 82.4 million
- EBITDA: € 48.6 million
- EBITDA margin: 59.0%
- Net profit: € 24.2 million



Kosice Airport

Q1/2018

- About 0.1 million passengers (+19.9%)

2017

- About 0.5 million passengers (+13.8%)
- Revenue: € 11.4 million
- EBITDA: € 3.1 million
- EBITDA margin: 27.2%
- Net profit: € 1.9 million

TRAFFIC RESULTS Q1/2018

Traffic development Q1/2018 Flughafen Wien Group

Group passenger development	Q1/2018	Q1/2017	Δ in %
Vienna Airport (millions)	4.86	4.56	+6.6
Malta Airport (millions)	1.17	0.98	+19.4
Kosice Airport (millions)	0.09	0.08	+19.9
Vienna Airport and its strategic investments (VIE, MLA, KSC)	6.13	5.62	+9.0

Traffic development/Vienna Airport	Q1/2018	Q1/2017	Δ in %
Passengers (millions)	4.86	4.56	+6.6
Local passengers (millions)	3.70	3.46	+6.8
Transfer passengers (millions)	1.14	1.07	+6.6
Flight movements (1,000)	48.67	47.86	+1.7
MTOW (millions of tonnes)	1.94	1.89	+2.5
Seat load factor (percent)	70.0	66.7	+3.2%p
Cargo incl. trucking (1,000 tonnes)	67.97	65.44	+3.9

Share of scheduled carriers

Q1/2018	Share in %	Passenergs	PAX Δ% vs. Q1/2017
1. Austrian	45.4	2,209,600	+14.3
2. Eurowings & Germanwings	10.7	519,540	+44.6
3. easyJet Group[1]	4.8	235,799	+41.6
4. Lufthansa	4.5	216,699	+0.7
5. Emirates	2.5	120,377	-2.5
6. Turkish Airlines	2.4	118,137	+24.5
7. SWISS	2.3	112,727	+8.2
8. British Airways	2.3	111,845	+9.3
9. KLM Royal Dutch Airlines	1.6	80,129	+4.1
10. Aeroflot	1.5	75,052	+7.9
11. Air France	1.5	70,657	+6.2
12. Vueling Airlines	1.4	66,375	+50.3
13. Iberia	1.3	61,120	+28.1
14. Qatar Airways	1.2	57,085	+45.5
15. TAP Portugal	1.0	47,321	+40.1
Other	15.7	761,714	-29.9
Total	**100.0**	**4,864,177**	**+6.6**
thereof Lufthansa Group[2]	63.8	3,104,073	+17.0
thereof low-cost carriers	19.6	953,275	+37.4

1) easyJet Gruppe: easyJet and easyJet Switzerland
2) Lufthansa Group: Austrian Airlines, Lufthansa, Germanwings, Eurowings, SWISS, Brussels Airlines

Vienna International Airport

Traffic development at Vienna Airport April 2018

	April/2018	April/2017	Δ in %
Passengers (millions)	2.17	2.12	+2.2
Local passengers (millions)	1.58	1.56	+1.5
Transfer passengers (millions)	0.58	0.56	+3.7
Flight movements (1,000)	19.57	18.63	+5.0
MTOW (1,000 of tonnes)	777.92	738.79	+5.3
Seat load factor (percent)	76.1	77.4	-1.3%p
Cargo incl. trucking (1,000 tonnes)	25.23	24.17	+4.4

- 2.17 million passengers comprising a year-on-year rise of 2.2% – a new single-day passenger record in the airport‘s history of 92,000 travellers in April 2018 thanks to the strong development, driven by Austrian Airlines and easyJet amongst others.
- Passenger development of strategic investments: Malta +11.4%, Kosice +14.7%

Vienna International Airport

Highlights 2018

19 new destinations

→ **thereof 3 new long-haul destinations**

→ **thereof 7 new Eastern European destinations**

Long-haul

- Austrian
  New: Cape Town, Tokyo
- EVA AIR
  New: 3 direct flights per week to Taipeh
- Ethiopian
  Daily to Addis Abeba as of June 1st
  (+3 frequencies)
- THAI
  Increased frequencies to Bangkok
  (+1 to 5 weekly flights)
- AIR INDIA
  Increase to Delhi as of May 7th
  (+1 to 4 frequencies)
- HAINAN AIRLINES
  New: Shenzhen 2x/week as of Oct. 20th
- CHINA AIRLINES
  Increase to Taipeh (+1 to 5 per week)

Further highlights in 2018 & initial news for 2019

New bases for Wizz Air and Laudamotion

- Wizz

  New in 2018 – 3 aircraft stationed in Vienna

  Bari, Bergen, Billund, Charkiw, Cluj, Danzig, Dortmund, Eindhoven, Kiev, Kutaissi, Larnaca, Malaga, Malta, Niš, Ohrid, Rome, Tel Aviv, Teneriffe, Thessaloniki, Tuzla, Valencia, Varna

  New in 2019 – 5 aircraft stationed

  Catania, Lisbon, Madrid, Milan MXP, Malmö, Nice, Reykjavik, Stockholm NYO

- Laudamotion

  New in 2018 – up to 7 aircraft stationed
  Brindisi, Chania, Ibiza, Kalamata, Malaga, Palma, Paphos, Pisa, Santorini

- Eurowings

  New: Calvi, Catania, Heraklion, Corfu, Kos, Larnaca, Rhodes, Teneriffe

- easyJet

  New: Basel, Berlin TXL, Milan MXP

- VOLOTEA

  New: Bilbao

- vueling

  New: Palma de Mallorca

- السعودية SAUDIA

  New: Jeddah via Riad

- flynas

  New: Riad

Laudamotion: Winter schedule not yet published

Further improvement in traffic forecasts for 2018

Flughafen Wien Group:

	2017	Forecast 2018
Passengers	30.9 million	> +8%

Flughafen Wien AG:

	2017	Forecast 2018
Passengers	24.4 million	> +6%

- **Share of low cost carriers continues to rise:** Growth of easyJet and Vueling, start of bases for Wizz Air and Laudamotion
- **Lufthansa Group's share will likely rise to more than 65%:** Growth of Austrian Airlines and Eurowings
- **Strong growth of intercontinental flight traffic:** Above all in the Far East (more than 30%), share of passengers to rise to more than 14%
- **Trend reversal for starts and landings**: 5% rise in flight movements at Vienna Airport

Vienna International Airport

THANK YOU FOR YOUR ATTENTION!