

FLUGHAFEN WIEN AG

On a Growth Path:
Traffic Results 2018 and
Business Outlook for 2019



2018 marked the highest passenger volume in the history of Vienna Airport

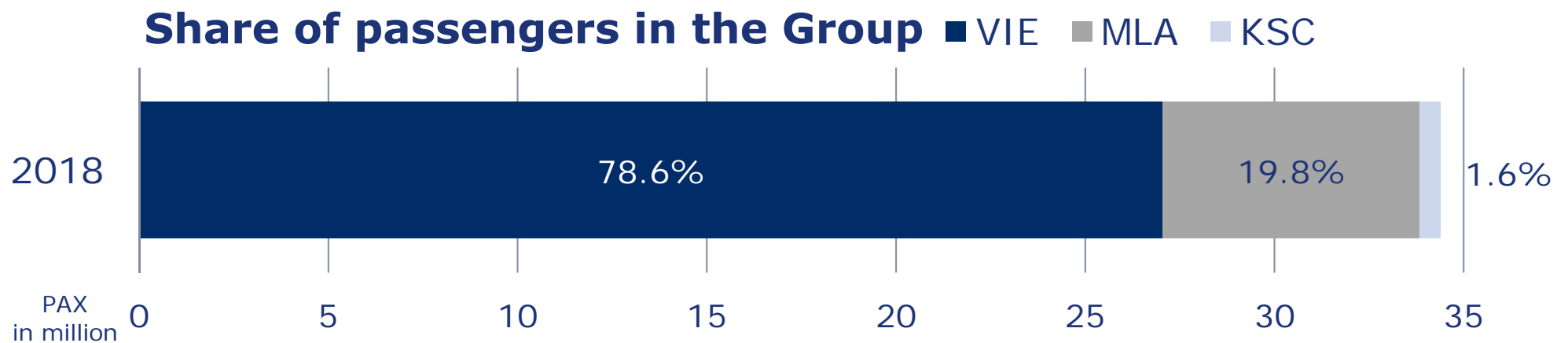


- ➔ **Record: More than 27 million passengers at Vienna Airport (VIE), more than 34 million in the Group**
 - All-time single day record: 101,841 passengers at VIE on Sept. 21, 2018
 - **10.8% growth at VIE** to a total of 27,037,292 passengers in 2018 (rise of 2.6 million)
 - **11.3% growth of the Flughafen Wien Group** to about 34.4 million passengers (increase of 3.5 million)
- ➔ **Austrian Airlines was the top growth driver**
 - +1.05 million passengers to 12.85 million (+8.9%)
 - Expansion of short-haul and medium-haul capacity offering in Vienna
- ➔ **Expansion of the low-cost segment**
 - Growth of 58.5% to 6.4 million passengers
 - LCC share of 23.7% of passenger volume
- ➔ **Strong growth in the long-haul segment**
 - 24.0% growth to about two million passengers
 - Long-haul routes with 7.7% of total number of passengers

Traffic development of the Flughafen Wien Group in 2018



Group passenger development	2018	2017	Δ in %
Vienna Airport (millions)	27.0	24.4	+10.8
Malta Airport (millions)	6.8	6.0	+13.2
Kosice Airport (millions)	0.5	0.5	+9.1
Vienna Airport and its strategic investments (VIE, MLA, KSC)	34.4	30.9	+11.3



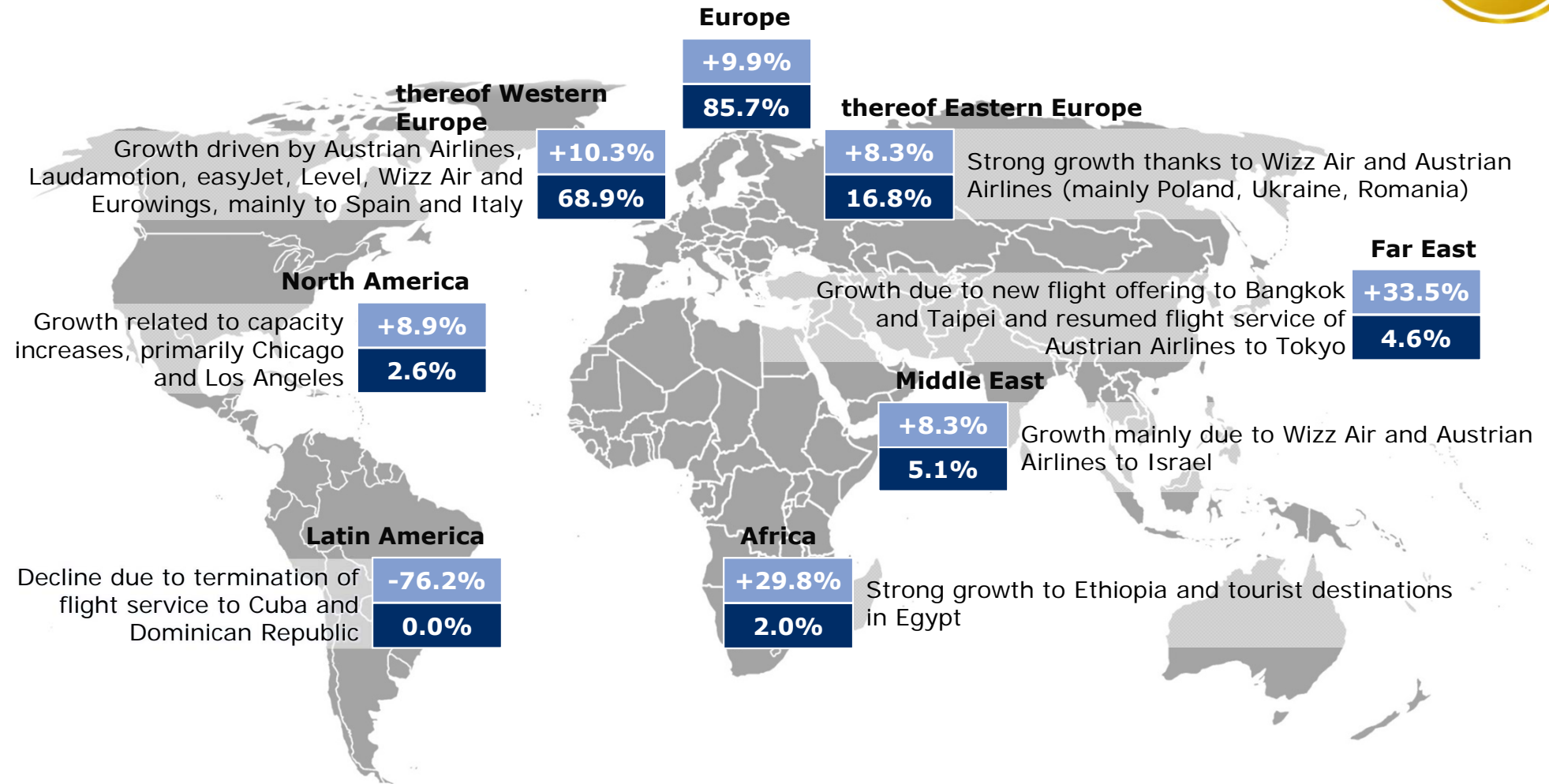
3 Total number of passengers incl. local, transfer and transit passengers.
Adjustment of comparative figures for 2017.

Traffic development of Vienna Airport in 2018



Traffic development at Vienna Airport	2018	2017	Δ in %
Passengers (millions)	27.0	24.4	+10.8
Local passengers (millions)	20.3	17.8	+13.6
Transfer passengers (millions)	6.7	6.4	+3.7
Flight movements (in 1,000)	241.0	224.6	+7.3
MTOW (millions of tonnes)	9.6	8.8	+8.4
Seats (arrivals and departures)	35.7	32.8	+8.9
Seat load factor (percent)	76.0	74.8	+1.3p.
Cargo incl. trucking (in 1,000 tonnes)	295.4	288.0	+2.6

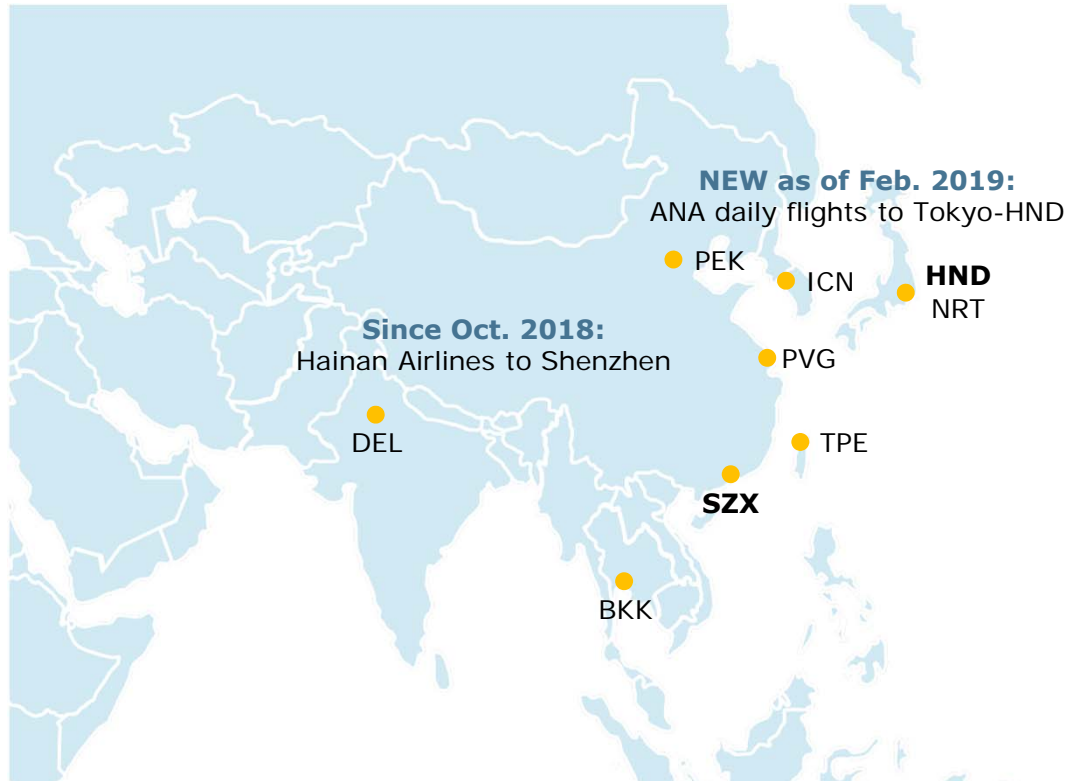
74 airlines serve 205 destinations in 71 countries



Passenger development compared to the previous year
 Share of total passenger volume

Departed passengers, development in 2018 compared to 2017 and share of total passenger volume in 2018

Tourism – Far East as a growth market in 2018



Tourism figures 2017/18¹:

- ✈ **Chinese market (incl. HK and Taiwan)**
 - Visitors to Vienna: **349,000 (+16%)**
- ✈ **South East Asia²**
 - Visitors to Vienna: **90,000 (+22%)**
- ✈ **Japan**
 - Visitors to Vienna: **132,000 (+10%)**
- ✈ **India**
 - Visitors to Vienna: **62,000 (+7%)**

Austrian retail sector profits from Asian tourists

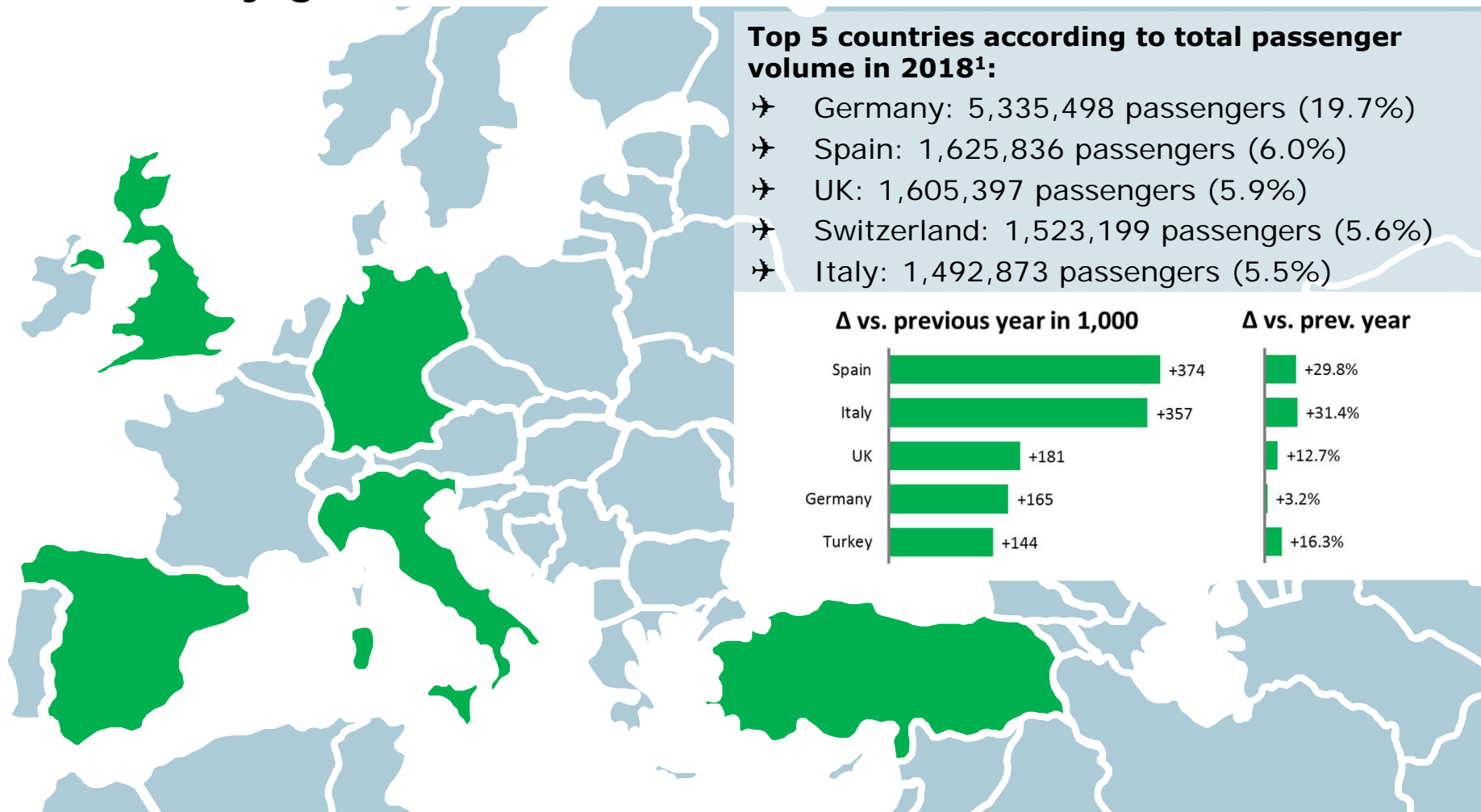
- **Tax-free revenue ranked by country (outside of the EU):** Four Asian countries among the top ten: China (1st) Taiwan (4th), Thailand (5th) and South Korea (8th).
- **Average expenditures per purchase:** Guests from China € 616 (+11%), non-European travellers € 508 (+10%) and +60% by tourists from Thailand and South Korea.

Country highlights in 2018

Total passenger volume, change vs. 2017



TOP 5 country growth



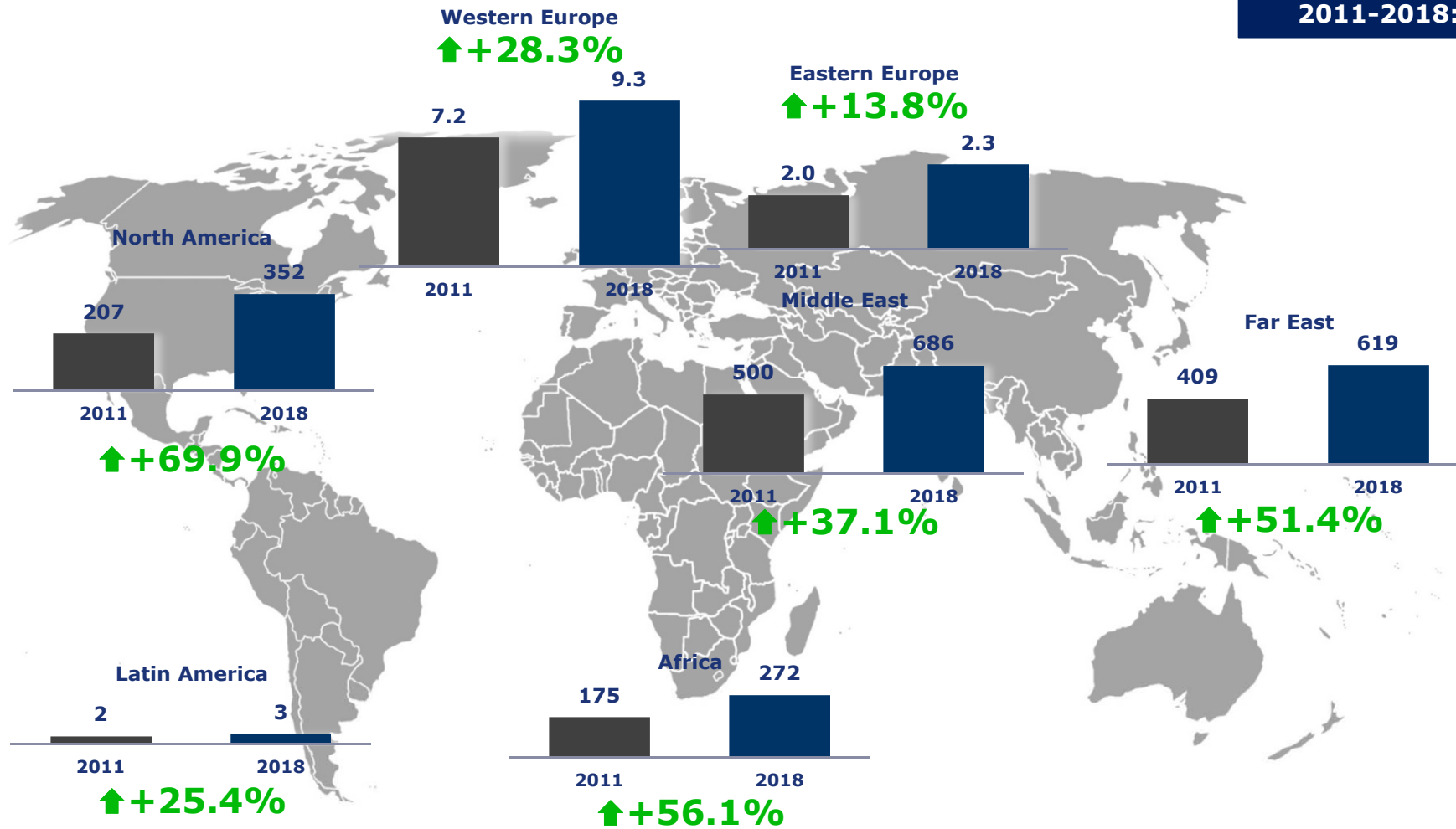
1) Total passenger volume and share in %

Strategic goal of expanding long-haul segment

Strong passenger growth over last seven years



**Total passenger growth
2011-2018: +28.2%**



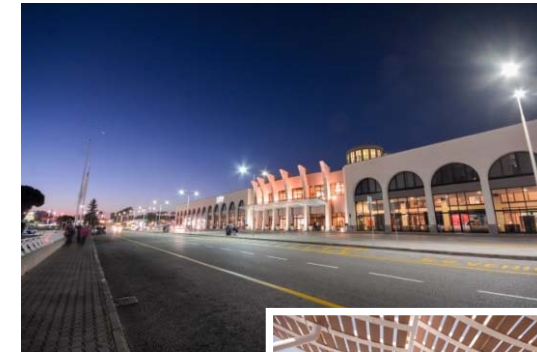
Departed passengers, figures for Europe in millions, other regions in thousands

Share of scheduled carriers



2018	Share in %	Passengers	PAX Δ% vs. 2017
1. Austrian Airlines	47.5	12,850,423	+8.9
2. Eurowings & Germanwings	9.2	2,484,008	+10.0
3. easyJet Group ¹	4.9	1,332,009	+64.4
4. Lufthansa	3.4	919,347	+1.6
5. Laudamotion	2.2	593,211	n.a.
6. Turkish Airlines	2.0	545,790	+9.1
7. British Airways	1.8	482,381	+4.0
8. Swiss	1.7	469,377	+1.5
9. Emirates	1.7	447,387	-3.3
10. Wizz Air	1.6	444,578	n.a.
11. Vueling Airlines	1.5	416,133	+65.7
12. KLM Royal Dutch Airlines	1.5	392,180	+2.2
13. Level	1.3	351,982	n.a.
14. Aeroflot	1.3	338,303	+4.4
15. Air France	1.1	304,756	+5.2
Other	17.3	4,665,427	-14.9
Total	100.0	27,037,292	+10.8
thereof Lufthansa Group ²	62.6	16,931,593	+8.3
thereof low-cost carriers	23.7	6,404,765	+58.5

Successful year for foreign strategic investments: Malta International Airport



- ✈ Record: 6.8 million passengers in 2018 (+13.2%)
- ✈ Top 3 markets:
 - Great Britain (25%),
 - Italy (21%),
 - Germany (12%)
- ✈ Top 3 airlines:
 - Ryanair (36%),
 - Air Malta (30%),
 - easyJet (5%)

Successful year for foreign strategic investments: Kosice International Airport

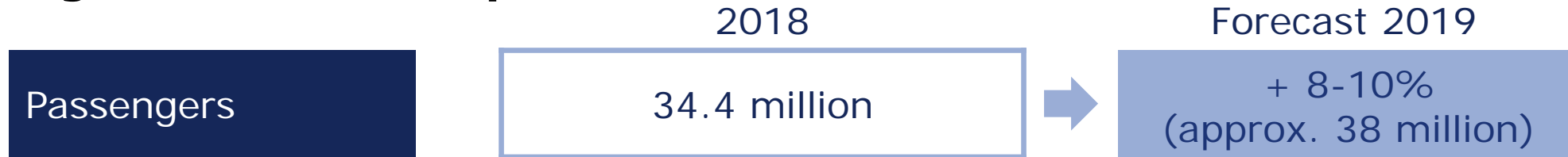


- ✈ Record: 539,552 passengers in 2018 (+9.1%)
- ✈ Top 3 markets:
 - Great Britain (28%),
 - Turkey (13%),
 - Austria (11%)
- ✈ Top 3 airlines:
 - Wizz Air (33%),
 - Travel Service Slovakia (13%),
 - Czech Airlines (12%)

Traffic forecast for 2019



Flughafen Wien Group:



Flughafen Wien AG:



- ✈ Passenger growth of 2018 to continue unabatedly in 2019
- ✈ VIE: Share of low-cost carriers will rise to about 25-30% (2018: 24%), further growth of Austrian Airlines (e.g. impacted by the phase-out of the Dash turboprop aircraft)
- ✈ Growth on intercontinental routes, mainly North America (> 20%)
- ✈ Passenger forecast for Malta +5.8%, Kosice -5%

Highlights 2018 & initial news for 2019



2018:

24 new destinations,

incl. 3 new long-haul routes:

- Cape Town,
- Tokyo-Narita,
- Shenzhen

8 new airlines

- Wizz Air
- Saudia
- flynas
- Level
- Laudamotion
- Air Arabia Maroc
- Hainan Airlines
- Nouvelair

3 new airlines stationing aircraft

with a total of 15 jets in VIE

- Laudamotion: 8 aircraft (Mix A320 & A321)
- Level: 4 aircraft (A321)
- Wizz Air: 3 aircraft (Mix A320 & A321)

New in 2019:

Long-haul routes



Montreal as of the summer



Tokyo-Haneda as of Feb.



AIR CANADA

Toronto as of the summer

Short/Medium-haul



Florence as of Sept.



Stuttgart and Kiev as of Feb.



الخطوط الملكية المغربية
royal air maroc

Casablanca as of April



Bordeaux as of the summer



to be increased to 5 aircraft
stationed in VIE
Malmö, Milan, Madrid,
Stockholm & Reykjavik as of
Feb.; Catania as of Nov.



Hamburg, Porto &
Copenhagen
as of the summer;
Seasonal: Calvi & Genoa

Punctuality to be emphasized in 2019

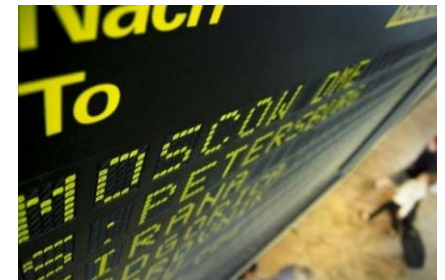


Punctuality and reliability as top priorities

All system partners are called upon: airlines, air traffic control, airports, service providers, public authorities

- ✈ 71.5% of departures were punctual at VIE from Jan.-Dec. 2018
- ✈ 2018: VIE was the second most punctual hub in the Lufthansa Group (behind ZRH, ahead of MUC, FRA)¹
- ✈ 90% of passengers wait less than ten minutes at the security checks – very short waiting times

- ✈ **Joint project “ChronOS@VIE”** with Austrian Airlines
 - Objective: improvement of punctuality
 - Focus: morning punctuality (departures)
 - Analysis of entire rotation process, optimisation and flexibilisation of processes in turnaround
 - e.g.: cleaning beginning at de-boarding, reconciliation of load sheet data remotely via telephone/wireless/tablet, pre-deicing, reorganisation of aircraft handling by handling groups



Investments in airport security



Expansion of IT infrastructure in the security area

- ✈️ Technical re-equipping of the **security centre**
- ✈️ Vienna Airport already preparing itself now for the future
- ✈️ Expansion of various **management systems** (software): access control, alarm management, video management and ID card/authorisation management
- ✈️ **Replacement of door controller, ID card reader** in the access control area
- ✈️ Number of **cameras** likely to increase to 3,600 over the next five years
- ✈️ **Costs:** € 10 million
- ✈️ **Timetable:** 3 years (2019 to 2021)
- ✈️ **Project status:** tender procedure underway

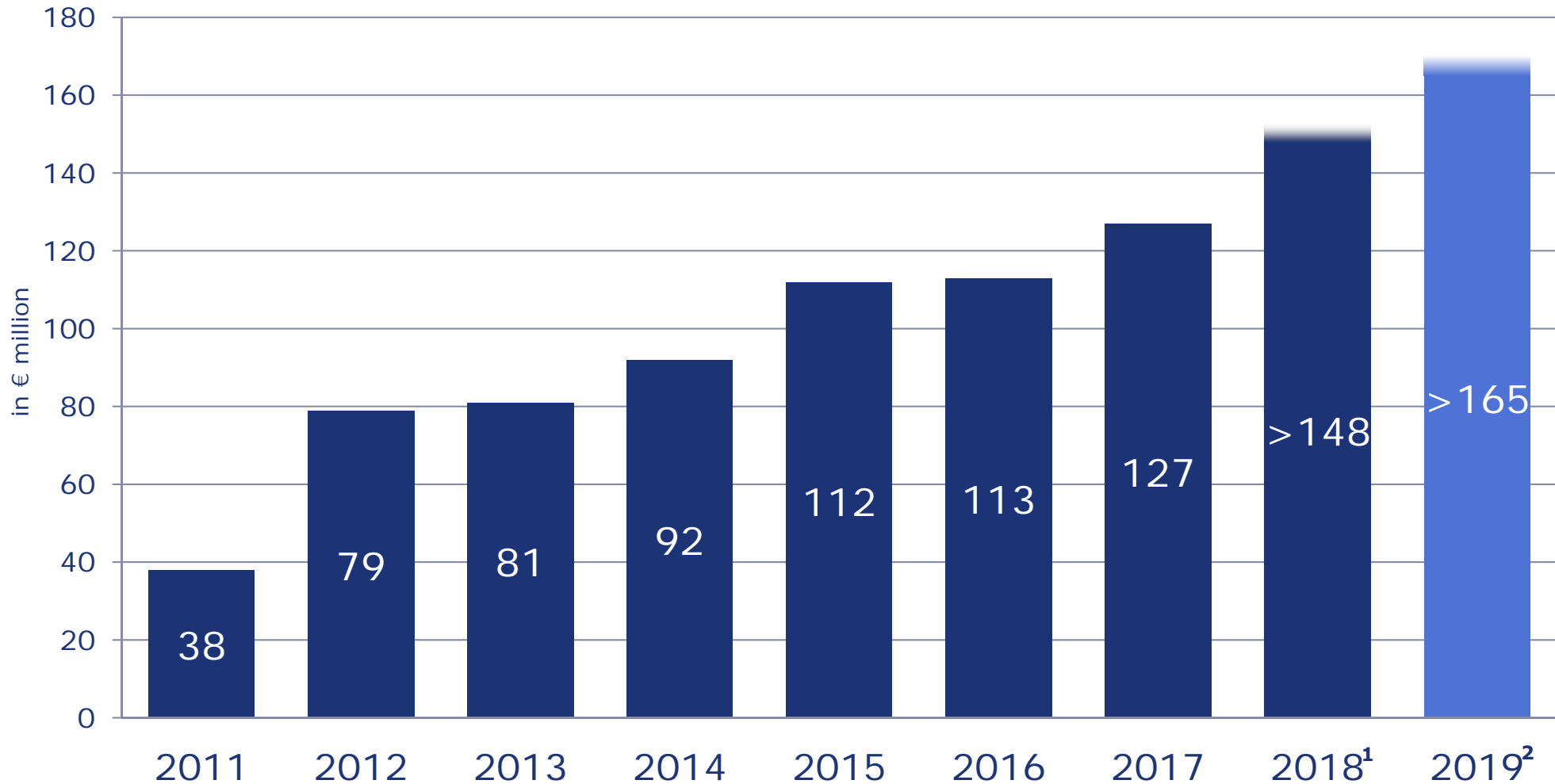




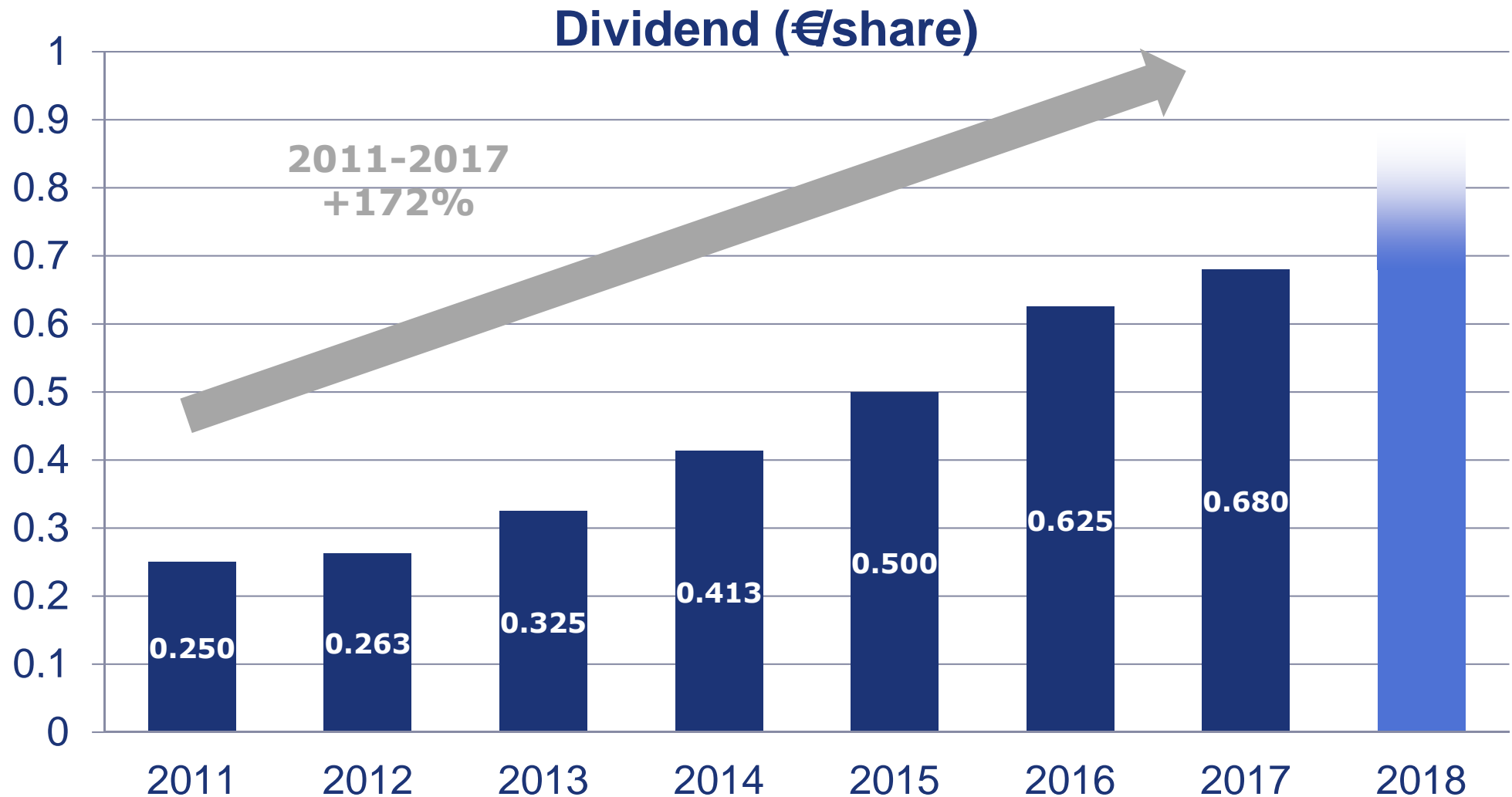
CORPORATE DEVELOPMENT AND FINANCIAL GUIDANCE FOR 2019



Ongoing increase in the profit for the period since 2011 will continue in 2019



30% dividend increase expected for 2018 – two-step rise in the payout ratio from 50% to 60%



Capacity as a crucial factor



Flughafen Wien Group: € 2.5 billion in investments planned by 2028
(excl. 3rd runway)

- ✈ **Terminal development project** – higher quality / more capacity
 - Renovation of Terminal 2
 - Renovation/Revitalisation of Pier East
 - Southern enlargement project
- ✈ **Office Park 4 – Completion at the beginning of 2020**
 - 25,000 m² of state-of-the-art office space
- ✈ **3rd hotel at the airport** in preparation
- ✈ **New health centre** in operation since October 2018
- ✈ **New GAC hangars 8 and 9** – Completion by the autumn of 2019 and an additional large hangar
- ✈ **Expansion of apron areas**
- ✈ **Expansion of the Air Cargo Center**
- ✈ **Opening of the DHL Logistics Campus**
- ✈ **Helicopter training centre to be located at the airport**



Threat of a gridlock if the traffic infrastructure is not expanded – Necessity for a concerted action plan

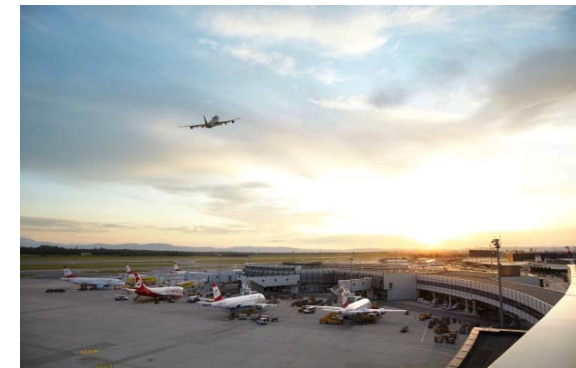
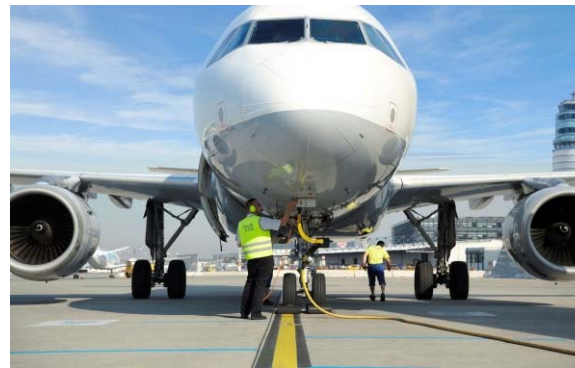


- ✈ Quick realisation of the high-speed rail line Vienna Airport-Bruck/Leitha-Budapest/Bratislava
- ✈ Construction of bypass roads on the heavily burdened main through-roads in towns in the Airport Region (B10/ B60)
- ✈ Strengthening of the rail network in the Vienna region, additional frequencies for the City Airport Train
- ✈ Capacity expansion of the A4 and S1 motorways
- ✈ Construction of a new junction on the A4 motorway west of the airport

Abolish the ticket tax as a petty tax within the context of tax reform measures



- ✈ The 50% reduction of the air passenger ticket tax has strongly supported traffic and passenger growth
- ✈ Growth leads to value creation of more than € 500 million for Austria
- ✈ Complete elimination of the airport tax (approx. € 60 million at present) would likely mean higher income for the financial authorities



3rd runway legal proceedings currently in the hands of the Higher Administrative Court



- ✈ Decision on legal action taken by runway opponents could be made in the first half of 2019
- ✈ Initiative of the EU Commission to centralise airport charges would massively threaten the project



Positive outlook for 2019 – Significant rise expected in earnings and investments



Outlook 2019 (Outlook 2018)

Revenue



> € 820 million (> € 770 million)

EBITDA



> € 370 million (> € 350 million)

Consolidated net profit¹



> € 165 million (> € 148 million)

Net debt



< € 150 million (< € 200 million)

CAPEX



> € 240 million (> € 175 million)

THANK YOU FOR YOUR ATTENTION!

