

Flughafen Wien Group in Q1/2020: COVID-19 Crisis Strongly Impacts Traffic and Earnings Development – Decline in Passenger Volume (-18.6%), Revenue (-9.0%) and Earnings (-36.6%)

April 2020: Passenger decrease of 99.6% in the Flughafen Wien Group and 99.5% at Vienna Airport

- **Global travel restrictions and flight cancellations related to COVID-19 strongly affect the traffic and earnings development of the Flughafen Wien Group since March 2020**
- **REVENUE in Q1/2020 of € 161.4 million (-9.0%), EBITDA of € 59.0 million (-17.7%), EBIT at € 26.4 million (-31.2%) and NET PROFIT FOR THE PERIOD¹ of € 16.1 million (-36.6%)**
- **Traffic development in Q1/2020: passenger volume down 18.6% in the Flughafen Wien Group and 18.8% at Vienna Airport**
- **COVID-19 crisis hits airport operations with full force in April 2020: 99.6% decline in the number of passengers in the Flughafen Wien Group and 99.5% at Vienna Airport**
- **Initiated cost reduction measures and short-time work model have a positive effect, the company's liquidity is secured**

“The COVID-19 crisis has shaken the global economy and has massively impacted the country's economic landscape and tourism industry as well as Vienna as an aviation hub. This unprecedented crisis without parallel in the history of aviation poses major challenges to Flughafen Wien AG. The company is well equipped, and in any case Vienna Airport will succeed in surviving this crisis, thanks to the initiated cost-saving and liquidity safeguard measures such as short-time work for all employees, cost reductions and postponement of large-scale investments. At present it is hardly possible to predict how long this phase will continue and how the year 2020 as a whole will develop. However, the regular cargo flights with medical supplies, the repatriation and scheduled flights for passengers returning home and last but not least the high demand for our COVID-19 PCR tests at the airport clearly show that air transport is absolutely essential“, explains Günther Ofner, Member of the Management Board of Flughafen Wien AG.

“The worldwide COVID-19 crisis has also hit Vienna Airport hard. Passenger volume has fallen substantially. At the present time there are only a few scheduled and cargo flights. Initial announcements of the airlines with respect to the summer season make us cautiously optimistic. However, it will take some time until the aviation sector reaches the same level as it did over the past few years. But the aviation sector will also take off once again after COVID-19 as it did in the aftermath of past crises such as 9/11, Ebola and SARS. This is because demand does exist, and air travel is the lifeline of the economy. A high-performance airport hub with a strong network carrier and a multifaceted offering of long-haul flights and point-to-point destinations is essential to the entire business and tourism location“, states Julian Jäger, Member of the Management Board of Flughafen Wien AG.

January-March 2020: 18.8% fewer passengers at Vienna Airport

Passenger volumes increased in the months of January and February 2020. In contrast, traffic development showed a downward development in March 2020 as a result of the global spread of the COVID-19 virus and the related travel and contact restrictions. In the period January to March 2020, the Flughafen Wien Group including the foreign strategic investments in Malta Airport and Kosice Airport reported a drop in the number of passengers handled by 18.6% to a total of 6.0 million. The number of passengers at Vienna Airport fell by 18.8% year-on-year to 4,919,588 travellers. The number of flight movements from January to March 2020 was down by 13.7% from the prior-year quarter to 48,613 takeoffs and landings. The average capacity utilisation of the aircraft (seat load factor) fell from 70.7% to 65.3%. Cargo volume (air cargo and trucking) at Vienna Airport fell by 5.2% year-on-year to 63,184 tonnes. Malta Airport registered a 16.1% decrease in passenger volume in Q1/2020 to 1,009,052 travellers. Kosice Airport handled 49,886 passengers in the same period, down 40.6% from the previous year.

Q1/2020: Revenue of € 161.4 million (-9.0%) and net profit of € 16.1 million (-36.6%)

Revenue of the Flughafen Wien Group in Q1/2020 fell by 9.0% from the prior-year period to € 161.4 million. EBITDA declined by 17.7% to € 59.0 million, and EBIT was down 31.2% to € 26.4 million. The net profit for the period after non-controlling interests equalled € 16.1 million in Q1/2020, a drop of 36.6% from the previous year. The net debt of the company remained stable at € 81.1 million (31 December 2019: € 81.4 million)³. The free cash flow amounted to minus € 21.0 million (Q1/2019: € 24.6 million).

Revenue and earnings development of the segments

Q1/2020 revenue of the Airport Segment fell by 8.8% year-on-year to € 75.8 million. Segment EBIT amounted to € 10.4 million (Q1/2019: € 13.8 million). The Handling and Security Services Segment registered a decrease in revenue by 5.0% to € 36.6 million, with the segment's EBIT at minus € 3.1 million (Q1/2019: minus €1.1 million). This segment also includes the security services of VIAS as well as the handling services provided by Vienna Aircraft Handling (VAH) and Vienna Passenger Handling Services (VPHS) and the services rendered by GetService Dienstleistungsgesellschaft m.b.H. The Retail & Properties Segment reported a drop in revenue of 11.4% in the first three months of 2020 to € 32.1 million. Segment EBIT totalled € 13.9 million (Q1/2019: € 20.2 million). Revenue of the Malta Segment was down 17.7% year-on-year to € 12.8 million, whereas segment EBIT equalled € 2.1 million (Q1/2019: 4.6 million). Revenue of the Other Segments totalled € 4.0 million in Q1/2020 (Q1/2019: € 3.9 million), and segment EBIT amounted to € 3.0 million (Q1/2019: € 0.9 million).

Investments

Total investments in the first three months of 2020 amounted to € 21.9 million, with the largest investments of € 6.9 million relating to the terminal development projects along with € 1.6 million for construction of a connecting bridge to Car Park 3, € 1.3 million for aircraft towing tractors, € 1.6 million for commercial properties and € 1.0 million for new advertising space. A total of € 1.8 million was invested at Malta Airport in the first quarter of 2020.

Traffic development in April 2020: Massive decline in passenger volume due to the COVID-19 crisis

Flughafen Wien Group: 15,002 passengers (-99.6%)

The COVID-19 coronavirus crisis struck Flughafen Wien AG and its strategic foreign investments with full force in April 2020. As a consequence of global travel restrictions and the large number of cancelled flights, the number of passengers handled by the Flughafen Wien Group (Vienna Airport, Malta Airport, Kosice Airport) fell by 99.6% to 15,002 travellers. The accumulated passenger volume in the period January to April 2020 was down 44.4% from the prior-year period to 6.0 million. Vienna Airport also showed a negative development from January to April 2020, with the number of passengers declining by 44.0% to 4,932,220.

Vienna Airport: Passenger decline of 99.5% in April 2020

The number of passengers handled by Vienna Airport in the month of April 2020 decreased by 99.5% to 12,632 travellers. The number of local passengers was down by 99.4%, whereas the number of transfer passenger fell by 99.9%. The number of flight movements in April 2020 also showed a massive decline of 95.8% year-on-year. Cargo volume at Vienna Airport dropped by 38.2% from the comparable level of April 2019.

The foreign subsidiaries of Flughafen Wien AG also registered a substantial decrease in passenger volume in April 2020. Malta Airport reported a 99.6% drop in passenger volume in the month of April 2020, whereas scheduled flight operations came to a complete standstill, with the number of passengers down 100%.

- 1) *Profit for the period before non-controlling interests*
- 2) *Net debt adjusted due to IFRS 16 lease liabilities; comparable figure for the beginning of the year adjusted accordingly*

Traffic Development

April 2020

Vienna Airport (VIE)

	04/2020	Diff. %	01-04/2020	Diff. %
Passengers arr+dep+transit	12,632	-99.5	4,932,220	-44.0
Local passengers arr+dep	12,263	-99.4	3,964,290	-42.4
Transfer passengers arr+dep	324	-99.9	962,110	-48.4
Bewegungen an+ab	960	-95.8	49,573	-37.4
Cargo arr+dep (in tonnes)	14,539	-38.2	77,863	-13.7
MTOW (in tonnes)	87,845	-90.7	2,100,254	-35.4

Malta Airport (MLA, fully consolidated)

	04/2020	Diff. %	01-04/2020	Diff. %
Passengers arr+dep+transit	2,370	-99.6	1,011,421	-45.5
Local passengers arr+dep	2,318	-99.6	1,003,877	-45.6
Transfer passengers arr+dep	0	-100.0	7,366	-32.4
Flight movements arr+dep	259	-94.3	8,726	-38.1
Cargo arr+dep (in tonnes)	1,162	-12.9	5,117	-2.5
MTOW (in tonnes)	9,534	-94.4	341,004	-36.0

Kosice Airport (KSC, consolidated at equity)

	04/2020	Diff. %	01-04/2020	Diff. %
Passengers arr+dep+transit	0	-100.0	49,887	-57.3
Local passengers arr+dep	0	-100.0	49,887	-57.2
Transfer passengers arr+dep	0	n.a.	0	n.a.
Flight movements arr+dep	0	-100.0	773	-49.1
Cargo arr+dep (in tonnes)	0	-100.0	4	-72.9
MTOW (in tonnes)	0	-100.0	14,972	-54.6

Vienna Airport and strategic investments (VIE, MLA, KSC)

	04/2020	Diff. %	01-04/2020	Diff. %
Passengers arr+dep+transit	15,002	-99.6	5,993,528	-44.4
Local passengers arr+dep	14,581	-99.5	5,018,054	-43.2
Transfer passengers arr+dep	324	-99.9	969,476	-48.3
Flight movements arr+dep	1,219	-95.6	59,072	-37.7
Cargo arr+dep (in tonnes)	15,701	-36.9	82,984	-13.1
MTOW (in tonnes)	97,379	-91.3	2,456,230	-35.6

*Note: Total number of passengers includes local, transfer and transit passengers.
Traffic data adjusted*

Income Statement

in € million	Q1/2020	Q1/2019	Change in %
Revenue	161.4	177.3	-9.0
Other operating income	2.4	3.2	-24.9
Operating income	163.8	180.5	-9.3
Expenses for consumables and services used	-10.4	-11.2	-7.0
Personnel expenses	-76.8	-73.9	+3.9
Other operating expenses	-14.4	-24.3	-41.0
Reversals of impairment/impairment on receivables	-3.0	0.2	n.a.
Pro rata results of companies recorded at equity	-0.2	0.4	-156.6
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	59.0	71.6	-17.7
Depreciation and amortisation	-32.6	-33.3	-2.0
Earnings before interest and taxes (EBIT)	26.4	38.4	-31.2
Income from investments, excluding companies recorded at equity	0.2	0.4	-49.8
Interest income	0.2	0.2	-4.8
Interest expense	-4.2	-4.8	-13.5
Other financial result	-1.2	0.7	-270.1
Financial result	-5.0	-3.5	-44.0
Earnings before taxes (EBT)	21.4	34.9	-38.7
Income taxes	-5.3	-9.5	-44.5
Net profit for the period	16.1	25.5	-36.6
Thereof attributable to:			
Equity holders of the parent	15.6	24.1	-35.1
Non-controlling interests	0.5	1.4	-63.4
Earnings per share (in €, basic = diluted)	0.19	0.29	-35.1

Balance Sheet Indicators

in € million	31.03.2020	31.12.2019	Change in%
ASSETS:			
Non-current assets	2,043.7	1,999.6	+2.2
Current assets	313.3	301.1	+4.1
LIABILITIES:			
Equity	1,394.3	1,380.9	+1.0
Non-current liabilities	569.5	527.5	-0.5
Current liabilities	393.2	347.2	+13.2
Total assets	2,357.0	2,300.6	+2.4
Net debt	81.1	81.4	-0.4
Gearing (in%)	5.8	5.9	n.a.

Cashflow Statement

in € million	Q1/2020	Q1/2019	Change in %
Net cash flow from operating activities	26.5	72.3	-63.4
investing activities	-47.5	-47.7	-0.5
financing activities	+97.1	-15.1	n.a.
Free cash flow	-21.0	24.6	n.a.
CAPEX¹	21.9	25.9	-15.3

1) Excluding financial assets

The report by Flughafen Wien AG for the first three months, from January 1 to March 31, 2020 is available to the general public at the company's office at 1300 Flughafen and at Bank Austria, 1020 Wien, Rothschildplatz 1. It is also available on the Internet at http://www.viennaairport.com/en/company/investor_relations/publications_and_reports/quarterly_reports .


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